



INTEGRATED ANNUAL REPORT  
2024

# ***Sustainability in Vision*** ***Progress in Action***

Press Metal's journey is guided by our vision to be a sustainable integrated aluminium company. Our low-carbon aluminium brand, GEM™, exemplifies our commitment to sustainability in action, and continues our progress towards operational excellence.

The cover is inspired by the iconic shape of the GEM™ logo. It is a reflection of our expansion as a forward-thinking organisation – integrating environmental responsibility with the aspiration to grow our operations' footprint across the regions.



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## ABOUT THIS REPORT

The Integrated Annual Report (“IAR”) 2024 of Press Metal Aluminium Holdings Berhad (“PMAH” or “the Company”) and its subsidiaries (collectively referred to as “Press Metal” or “the Group”) represents an important milestone in our integrated reporting journey. This IAR 2024 reflects our dedication to transparency, accountability, and creating value for all stakeholders.

IAR 2024 provides a comprehensive account of our financial and non-financial performance, detailing our operational achievements, governance practices, strategic priorities, sustainability initiatives and challenges, and future prospects. It has been prepared in alignment with the Guiding Principles and Content Elements of the Integrated Reporting (<IR>) Framework developed by the Value Reporting Foundation (“VRF”), ensuring adherence to global standards in corporate reporting.

Through this report, we demonstrate how sustainability is integrated into our operations and how it strengthens our business resilience. Press Metal remains committed to generating long-term value for stakeholders while addressing the opportunities and challenges of an evolving global landscape.

### SCOPE AND BOUNDARIES

IAR 2024 covers the reporting period from 1 January 2024 to 31 December 2024 (“FYE2024”), unless otherwise stated, encompassing disclosures of the Group’s activities, including those of its subsidiaries, joint operations, joint ventures, and associates, where applicable.

We have adopted an integrated reporting approach to demonstrate our commitment to delivering value across short-, medium- and long-term. This approach reflects the interconnected nature of our financial and operational performance, stakeholder relationships, and sustainability objectives, focusing on the following key areas:

- **Business Performance:** The IAR 2024 offers a holistic analysis of the financial and non-financial performance, along with valuable insights into our growth prospects (refer to pages 12 to 21 for further details).
- **Stakeholder Engagement:** Meaningful stakeholder relationships are prioritised and their expectations are actively integrated into our business strategies (refer to pages 27 to 30 for further details).
- **Materiality:** The identification and prioritisation of key material matters provides us with a holistic view of global trends, industry developments, and risks that could significantly impact the Group’s performance (refer to pages 31 to 32 for further details).
- **Key Capitals:** The identification of inputs, outputs, and outcomes associated with each of the capitals in our business model, collectively contribute to value creation across the Group’s ecosystem, aligning with our strategic objectives (refer to pages 40 to 41 for further details).

### MATERIALITY

Detailed disclosures on the assessment and determination of our material topics are provided in the *Material Matters at Our Core* section of the IAR 2024.

The method for identifying material topics is detailed on page 31 of this IAR 2024. Our approach to materiality focuses on two (2) key criteria:

- Topics deemed influential for financial value creation; and
- Topics that are significant to our stakeholders and contribute to indirect value creation.

### REPORTING PHILOSOPHY & FRAMEWORK

This IAR 2024 serves as our primary report communicated to our stakeholders. We have prepared the IAR 2024 in reference to the following frameworks, standards, and guidelines:

Key Frameworks/ Standards/ Guidelines Applied	IAR 2024	Sustainability Report 2024 (“SR 2024”)	Corporate Governance Report 2024 (“CG Report 2024”)	Financial Statements for FYE2024
Integrated Reporting <IR> Framework	✓			
Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”)	✓	✓	✓	✓
Companies Act (“CA”) 2016	✓		✓	✓
Malaysian Code of Corporate Governance (“MCCG”) 2021	✓		✓	
Corporate Governance Guide (4 <sup>th</sup> Edition) of Bursa Malaysia Berhad	✓		✓	
Bursa Malaysia Sustainability Reporting Guide (3 <sup>rd</sup> edition)		✓		
Global Reporting Initiative (“GRI”) Universal Standards 2021		✓		
United Nations Sustainable Development Goals (“UN SDGs”)		✓		
FTSE4Good Bursa Malaysia Index’s Environmental, Social and Governance indicators		✓		
National Sustainability Reporting Framework (“NSRF”)		✓		
United Nations Global Compact’s (“UNGC”) Ten Principles		✓		
Sustainability Accounting Standards Board (“SASB”) Sector-Specific Disclosures		✓		
Aluminium Stewardship Initiative (“ASI”) Performance Standard Version 3 (“PS v3”)		✓		
International Financial Reporting Standards (“IFRS”)				✓
Malaysian Financial Reporting Standards (“MFRS”)				✓

# About This Report

## FORWARD-LOOKING STATEMENTS

Forward-looking statements regarding the Group’s financial position, prospects, targets, and business strategies are presented in this IAR 2024. These statements are developed based on reasonable assumptions and current circumstances at the time of reporting. However, they are not guarantees of future performance, as actual outcomes may vary due to unforeseen events, risks, uncertainties, and other influencing factors.

Readers are encouraged to exercise caution and avoid placing undue reliance on these forward-looking statements, as they are subject to change and potential deviation from projected outcomes.

## ASSURANCE

The financial disclosures and reports presented in the Financial Statements section of this IAR 2024 have undergone independent auditing by KPMG PLT.

To uphold the consistent accuracy and reliability of our IAR 2024, we have enlisted KPMG PLT, to provide limited assurance on the ten (10) selected sustainability indicators, which includes the following:

1. Percentage of directors by gender and age group (%)
2. Percentage of operations assessed for corruption-related risks (%)
3. Confirmed incidents of corruption and action taken (number)
4. Total energy consumption (million gigajoules)
5. Number of work-related fatalities (number)
6. Lost time incident rate (“LTIR”) (rate)
7. Number of substantiated complaints concerning human rights violations (number)
8. Number of substantiated complaints concerning breaches of customer privacy and losses of customer data (number)
9. Scope 1 Greenhouse Gas (“GHG”) emissions (kilotonnes of CO<sub>2</sub>e)
10. Scope 2 GHG emissions (kilotonnes of CO<sub>2</sub>e)

In addition to external assurance, Press Metal has conducted an internal audit review on the sustainability performance data and processes. This internal review complements the third-party assurance, reinforcing our dedication to ensuring the reliability and transparency of our disclosures.

## BOARD RESPONSIBILITY STATEMENT

The Board of Directors (“Board”) of PMAH acknowledges its responsibility in ensuring the integrity and credibility of this IAR 2024.

The IAR 2024 has been prepared in accordance with good governance practices and guided by the Integrated Reporting <IR> Framework. In the Board’s assessment, the IAR 2024 sufficiently covers material matters relevant to the Group’s performance and value creation. The IAR 2024 has been approved by the Board.

## REPORTING SUITE

Scan the QR code or visit our website at [www.pressmetal.com](http://www.pressmetal.com) to read our IAR 2024.



## FEEDBACK & CONTACT POINT

We are committed to continuously improving the quality of our reporting. Your feedback and input are greatly appreciated as we continue to improve our reporting journey. If you have any comments on the IAR 2024 or require further clarification, please email: [corpcomm@pressmetal.com](mailto:corpcomm@pressmetal.com).

## NAVIGATION ICONS

### Our Six (6) Capitals

- F** Financial Capital
- N** Natural Capital
- I** Intellectual Capital
- H** Human Capital
- M** Manufactured Capital
- SR** Social and Relationship Capital

### Our Material Matters

#### Upholding Good Governance and Economic Resilience

- M1** Economic and Financial Resilience
- M2** Business Ethics and Corporate Governance
- M3** Compliance Reporting and Disclosure
- M4** Responsible Sourcing
- M5** Product Quality and Customer Satisfaction
- M6** Sustainable Manufacturing
- M7** Risk Management
- M8** Customer Data Privacy and Information Technology

#### Caring for the Planet

- M9** Climate Change
- M10** Waste
- M11** Material Stewardship
- M12** Water and Effluents
- M13** Biodiversity

#### Empowering Our People and Enriching Our Communities

- M14** Occupational Health and Safety
- M15** Human Rights
- M16** Diversity and Inclusivity
- M17** Talent and Labour Management
- M18** Community Management

### Our Stakeholders

- Business Partners
- Local Communities
- Suppliers/ Contractors/ Service Providers/ Consultants
- Employees
- Media/ Analysts
- Capital Providers (Financiers, Shareholders, Investors)
- Customers/ Distributors
- Government/ Regulatory Authorities
- Key Senior Management

## WHO WE ARE

Over the past three (3) decades, Press Metal has grown and evolved into the largest integrated aluminium producer and a prominent aluminium extruder in Southeast Asia (“SEA”), serving key industries such as infrastructure, transportation, construction, and consumer goods across global markets.

Listed on the Main Market of Bursa Malaysia and a constituent of the FTSE Bursa Malaysia Kuala Lumpur Composite Index, Press Metal Aluminium Holdings Berhad is featured in several indices, including MSCI Malaysia Index, and MSCI Malaysia Islamic Index. Our dedication to sustainability and transparency is further underscored by our inclusion in the FTSE4Good Bursa Malaysia Index since FYE2022.

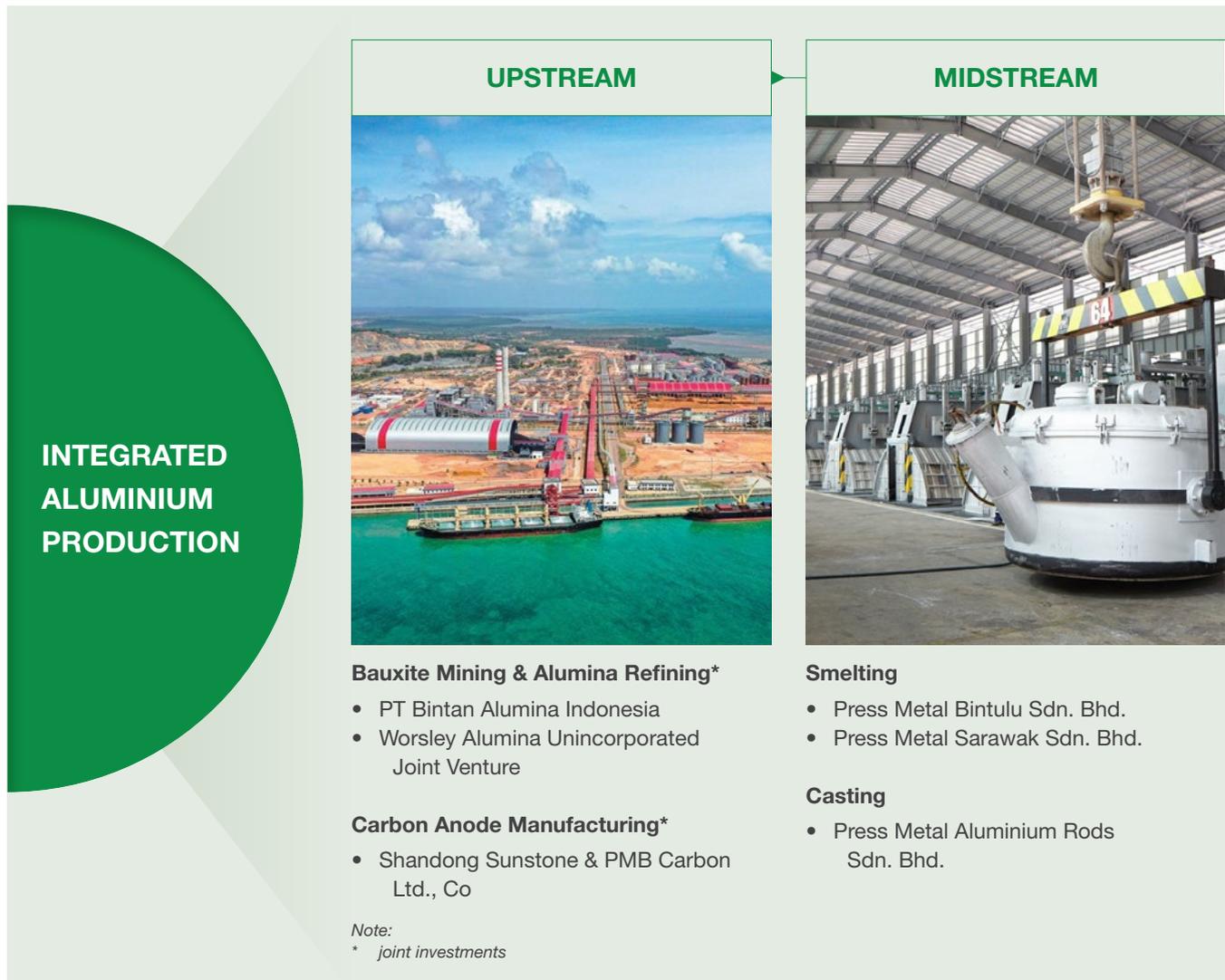
The Group’s core operations focus on the manufacturing and trading of primary, value-added, and extruded aluminium products. Headquartered in Selangor, Malaysia, it has midstream production facilities in Sarawak and Johor, and downstream production facilities in Selangor and Negeri Sembilan, as well as Guangdong, China. Our global presence is strengthened by distribution offices in Australia, the United Kingdom, and the United States (“US”), enabling us to meet the growing demands of both local and regional markets.

As part of our long-term strategy for growth and operational excellence, Press Metal continues to strengthen its integrated value chain by investing in upstream business operations, ensuring raw material security, fostering sustainable growth, and delivering value to our stakeholders.

### OUR VISION

To provide products and solutions for a sustainable future.

## OUR INTEGRATED VALUE CHAIN



# Who We Are

## OUR MISSION

- B Business**  
Establish partnerships and deliver incremental value to stakeholders
- E Environment**  
Mindfully consume and source natural resources to deliver our aluminium products
- S Society**  
Enrich the communities we operate in
- T Talent**  
Enable an inclusive workplace and protect the social welfare of our people

## OUR CORPORATE VALUES

- ▶ **Business Acumen**  
The ability to facilitate strategic decision-making that drives value creation for the Group and its stakeholders.
- ▶ **Global Outlook**  
To drive business growth with a global perspective and to progressively expand into a top industry player.
- ▶ **Social Responsibilities**  
Upholding our commitment as a responsible corporate citizen through continuation of contribution to the advancement of the industry, community, and society.
- ▶ **Quality Excellence**  
A continuous commitment to achieving, maintaining, and enhancing product quality in line with industry standards and client expectations.
- ▶ **Focused Teamwork**  
Leveraging the combined expertise and skills of our workforce to achieve the Group's goals and objectives.

### DOWNSTREAM



- PMB Aluminium Sdn. Bhd.
- Press Metal International Limited
- Press Metal International Technology Ltd.

### TRADING AND DISTRIBUTION



- Press Metal UK Limited
- Press Metal Aluminium (Aus) Pty. Ltd.
- Press Metal North America Inc.
- PMB Aluminium Sabah Sdn. Bhd.
- PMB Central Sdn. Bhd.
- PMB Eastern Sdn. Bhd.
- PMB Northern Sdn. Bhd.

### Aluminium for a Sustainable Future



Transportation



Infrastructure



Packaging



Electronics

## OUR KEY STRENGTHS



### INTEGRATED ALUMINIUM OPERATIONS



#### Smelting Capacity

**1.08** million MT



#### Extrusion Capacity

**230k** MT

- As the largest integrated aluminium producer in SEA, we operate with a robust midstream smelting capacity of 1.08 million metric tonnes per annum and a downstream extrusion segment capable of producing 230,000 metric tonnes per annum. These capacities position us at the forefront of the aluminium industry in the region.
- In our upstream investments, we have holdings in two (2) alumina refineries – PT Bintan Alumina Indonesia (“PT BAI”) in Indonesia and the Worsley Alumina Unincorporated Joint Venture in Australia. In September 2024, we announced an equity participation of 80% in a new alumina refinery, PT Kalimantan Alumina Nusantara (“PT KAN”) in Indonesia, which is expected to be completed by 2027.
- Our upstream expansion is expected to reinforce and continuously strengthen our leading position as the largest smelter in SEA and boost our competitive edge across the aluminium value chain. It is an effective approach towards expanding our upstream presence while ensuring higher self-sufficiency and a stable supply of our alumina needs, which are critical to our core smelting operations. This will also reduce our reliance on third-party suppliers and traders, ensuring greater operational resiliency and efficiency.
- Additionally, we have also invested in Shandong Sunstone & PMB Carbon Ltd., Co in China to secure a stable and reliable supply of carbon anodes. Together, these upstream investments strengthen our supply chain resilience and operational efficiency.
- As the largest integrated aluminium producer in SEA, our substantial growth has allowed us to serve a diverse customer base not only in the region but across Europe, US, Asia-Pacific and Oceania, underscoring our capabilities to meet the varied demands of global markets.



### RESPONSIBLE ALUMINIUM PRODUCTION



**asi** Aluminium  
Stewardship  
Initiative

Received

#### Chain of Custody certification

from ASI for our smelting facility, PMBtu

Received

#### Performance Standard certification

from ASI for our smelting facilities, PMBtu and PMS, and extrusion facility, PMI

- Consistently operating well below the threshold of 11 metric tonnes of CO<sub>2</sub>e per metric tonne of aluminium (Mine to Metal Emissions intensity), our smelting facilities comply with the GHG emissions intensity benchmark established by the ASI.
- In recognition of our dedication to sustainable aluminium manufacturing, our smelting facilities in Sarawak — Press Metal Bintulu Sdn. Bhd. (“PMBtu”) and Press Metal Sarawak Sdn. Bhd. (“PMS”) — and our extrusion facility in China, Press Metal International Limited (“PMI”), have been awarded the ASI Performance Standard certifications.
- As a low-carbon aluminium producer, Press Metal positions itself as the preferred supplier of choice for trending industries that actively seek sustainable materials for their products.
- Our commitment to sustainability is exemplified through our GEM™ series, a low-carbon aluminium product that emits less than 4.0 metric tonnes of CO<sub>2</sub>e per metric tonne of aluminium (Scope 1 and Scope 2 GHG emissions), underscoring our dedication to delivering a sustainable solution to the global market.
- Introduced CYCAL™ billet, which integrates GEM™ with high content of recycled aluminium, is offered in 50% (CYCAL™ 50) and 80% (CYCAL™ 80) recycled aluminium content respectively. The CYCAL™ series offers optimal balance of quality and reduced carbon emissions, further enhancing our commitment to sustainable aluminium production.

## Our Key Strengths



### SUSTAINABILITY-DRIVEN APPROACH



A constituent of the  
**FTSE4Good Bursa  
Malaysia Index**



Maintained a  
**4 star rating**  
since our debut in June 2022

- Sustainability is a core component of the Group’s strategy, and we take pride in our inclusion as a constituent of the FTSE4Good Bursa Malaysia Index, making our debut in June 2022 with a 4-star rating.
- A testament to our commitment to sustainable business practices, our MSCI ESG rating has been upgraded from ‘A’ to ‘AA’, reinforcing the Group’s resilience in managing long-term, material environmental, social and governance (“ESG”) risks. Adding to this achievement, we proudly secured the Best Performer by Sector in the Industrial Products and Services category at The EDGE Malaysia ESG Awards 2024, further underscoring our dedication to excellence in sustainability.
- Press Metal has established a sustainability framework that includes a Sustainability Roadmap with clear, time-bound targets and action plans. The sustainability efforts focus on advancing progress such as reducing GHG emissions, improving resource efficiency, and monitoring ecosystems.
- Press Metal engages with associations such as ASI, UNGC, Federation of Malaysian Manufacturers (“FMM”), and the British Malaysian Chamber of Commerce (“BMCC”) to promote sustainability agendas, enhance industry presence and support global sustainability initiatives.



### RENEWABLE AND RELIABLE RESOURCE



Our smelting operations derive a significant portion of  
**electricity from  
hydro source**

- Press Metal’s smelting operations are strategically located in Sarawak, Malaysia, an area endowed with consistent rainfall and abundant river systems. These natural advantages provide an ideal environment for harnessing hydropower, enabling our smelting plants to utilise electricity predominantly from renewable hydroelectric sources.
- Our smelting plants benefit from a renewable and reliable electricity supply, secured through long-term power purchase agreements with the Sarawak State’s power company.
- Unlike many other smelters that are tied to floating-rate power purchase agreements that vary in accordance with market prices for coal or gas, we are not subject to fluctuations in our energy costs.

## KEY HIGHLIGHTS 2024



Revenue

**RM14,910**  
million



PATAMI

**RM1,766**  
million



Earnings per Share

**21.43**  
sen



FTSE4Good

FTSE4Good ESG Rating

**Top 25%**

amongst PLCs in FBM EMAS  
with 4 star rating



# Key Highlights 2024



MSCI ESG Rating

2024 rating: **AA**



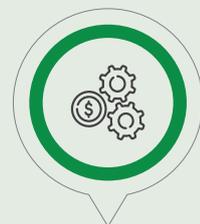
Dividends

**RM577**  
million



Total Equity

**RM10,305**  
million



Gearing Ratio

**0.25**  
times

## AWARDS AND ACCOLADES

### PRESS METAL ALUMINIUM HOLDINGS BERHAD



#### The EDGE Malaysia ESG Awards 2024

Best Performer by Sector  
(Industrial Products and Services)



#### MSCI

MSCI ESG rating upgraded to "AA" from "A"



#### RAM Ratings

Press Metal's IMTN rating upgraded to AA<sub>1</sub> from AA<sub>2</sub>



#### RAM Sustainability Awards 2024

Top 3 Sustainability Performers - Platinum Award



#### National Corporate Governance & Sustainability Award 2024

Overall Excellence Award



#### UNGC Malaysia & Brunei Forward Faster Sustainability Awards 2024

Sustainable Supply Chain (Large Company)

### PRESS METAL INTERNATIONAL LIMITED

#### Shanghai Metals Market Information & Technology Co., Ltd

Top 20 SMM China Industrial Aluminum Profile Enterprises

#### Guangdong Manufacturers Association

- Guangdong Top 500 Manufacturing Enterprises
  - Technological Innovation in Science and Technology Award (Second Prize)

#### Guangdong Shipbuilding Industry Association

Outstanding Innovative Technology Award  
(Special Aluminum Alloy Materials and Components  
in Offshore Engineering and Marine Vessels)

## ASSOCIATIONS AND MEMBERSHIPS

Press Metal participates in both domestic and international industry associations to gain access to industry best practices and stay abreast of emerging trends and developments. By staying attuned to industry advancements, Press Metal is able to adopt best practices and measure our performance against that of our peers. This, in turn, enables us to develop relevant and resilient strategies to seize opportunities and address challenges within the aluminium industry, including those associated with climate change and human rights.

Our involvement in industry associations aligns with the principles articulated in our Industry Association Participation Principles. For more details on these principles, please visit our website at <https://www.pressmetal.com/investor-relations/corporate-governance.php>.

Below are the international associations where Press Metal holds membership or actively engages:



### Aluminium Stewardship Initiative

A multi-stakeholder initiative dedicated to maximising the positive impact of aluminium through responsible production, sourcing and stewardship. ASI addresses sustainability challenges in the aluminium value chain and promotes transparency via its ASI Performance Standard and Chain of Custody.

### WE SUPPORT



### United Nations Global Compact

A voluntary initiative launched by the United Nations to encourage global businesses and organisations to adopt sustainable and socially responsible policies. It provides a framework for companies to align their strategies and operations with ten principles, covering human rights, labour, environment and anti-corruption. By joining the UNGC, we commit ourselves to implementing these principles and submitting an annual Communication on Progress update.



### British Malaysian Chamber of Commerce

A prominent networking chamber in Malaysia that offers business networking opportunities, knowledge exchange and bilateral trading assistance. We have expressed our commitment to supporting BMCC's efforts to raise climate change awareness by endorsing BMCC's Climate Action Pledge.

The following is a list of trade groups that Press Metal belongs to or is affiliated with:

#### Malaysia

- Federation of Malaysian Manufacturers
  - Member of the Environmental Management & Circular Economy Committee
  - Member of the Sustainable Development & Climate Change Committee
- International Aluminium Institute
- Sarawak Chamber of Commerce and Industry

#### China

- Alashan Society of Entrepreneurs and Ecology
- China Aluminium Association
- China Non-Ferrous Metal Industry Association
- Foshan Nanhai Aluminium Profile Industry Association
- Guangdong Association of Shipbuilding Industry
- Guangdong Automobile Industry Association
- Guangdong Society of Naval Architecture and Marine Engineering
- MAYCHAM China Greater Bay
- Sanshui District Aluminium Processing Industry Association
- Shanghai Aluminium Trade Association

## CHAIRMAN'S STATEMENT

# Resilient Growth, Future-Focused

“We achieved strong performances across our refinery, smelting, and extrusion segments in 2024.”



**Datuk Yvonne Chia**  
Independent Non-Executive Chairman

### Expanded Alumina Investments

We have expanded our investments in alumina assets to strategically secure our operational needs and support sustained growth.

### MSCI Rating Upgrade

Our MSCI ESG rating was upgraded from 'A' to 'AA', underscoring our commitment to responsible and sustainable business practices.

### CSR Impact

Our CSR initiatives have positively impacted over 1,900 individuals through education, sports, social welfare, environment, sustainability and health.

## Chairman's Statement

## DEAR VALUED STAKEHOLDERS

On behalf of Press Metal Aluminium Holdings Berhad, I present to you our Integrated Annual Report for 2024. The IAR 2024 provides a concise review of our performance, strategic direction, and commitment to responsible growth. It highlights our financial and operational achievements, sustainability practices, and governance principles, demonstrating how we create value over the short-, medium-, long-term while keeping PMAH at the forefront of a dynamic market.

## PERFORMANCE HIGHLIGHTS

We achieved strong performances across our refinery, smelting, and extrusion segments in 2024. Despite challenges, and a fire incident at Phase 3 of our Samalaju smelter, we successfully navigated a volatile macroeconomic environment and shifting metal markets to achieve a record profitability.

By strategically strengthening our foothold in key priority markets, we successfully adapted to evolving trade flows and mitigated risks associated with alumina supply and price volatility. Higher contributions from value-added products and improved performance from our alumina manufacturing associate, PT BAI, further bolstered our overall results.

## MARKET DYNAMICS &amp; STRATEGIC POSITIONING

In 2024, the global aluminium market saw price fluctuations amid uneven economic performances across regions. While European demand was subdued, Asia's resilience – driven by manufacturing relocations and lean inventories – spurred stronger regional demand. Steady growth in electric vehicles (“EVs”) and expansion of renewable energy infrastructure helped maintain prices at around USD2,500 per tonne by year-end. We remain cautiously optimistic of the opportunities arising from these developments. Our low-carbon aluminium production supports the growing demand for sustainable materials, and we continue to explore growth avenues through operational integration and economies of scale. At the same time, we remain mindful of evolving trade-related policies which continue to shape market dynamics and require careful navigation.

Recognising the critical need for stable alumina supply, we expanded our alumina asset investments in Indonesia in 2024 through PT KAN. Our equity investment of RM1 billion over the next few years will strategically secure this essential input, ensuring operational stability and future growth.

## FYE2024 FINANCIAL PERFORMANCE

We delivered record financial results despite external volatilities, achieving:



Revenue

**RM14.9** billion



PATAMI

**RM1.8** billion

increased by 45% year-on-year (“y-o-y”)



Net Gearing

**0.25** times (FYE2024)  
reduced from 0.40 times (FYE2023)



Return on Capital

**23.7%**  
reflecting disciplined capital allocation

For FYE2024, we declared total dividends of 7.0 sen per share, representing a 33% payout ratio of PATAMI. This is a disciplined balance between funding our ambitions and providing shareholder returns. We manage a prudent financial framework, enabling us to invest in high-potential opportunities while sustaining shareholder returns.

Our efficient cost structure and strong credit metrics support our growth ambitions. In recognition of our financial strength, RAM Ratings upgraded our RM5.0 billion IMTN Programme rating from AA<sub>2</sub> to AA<sub>1</sub> in FYE2024.

## Chairman's Statement

### GROWTH & VALUE CREATION

Our growth over the years has been shaped by our adaptability to changing market conditions and navigate periods of uncertainty. With a customer-centric approach, operational discipline, and sustainable practices, we will endeavour to increase our market share of our low-carbon aluminium products.

Our growth strategy is anchored on five (5) core values: Business Acumen, Global Outlook, Focused Teamwork, Quality Excellence, and Social Responsibility. This vision drives our investments in securing alumina supply, expanding vertical integration, and enhancing operational efficiencies.

We continue advancing digital transformation, process optimisation and automation to boost efficiency and competitiveness. These investments enable us to consistently deliver innovative solutions that meet the evolving needs of our customers.

### SUSTAINABILITY & CIRCULAR ECONOMY

At Press Metal, sustainability is embedded in our operations. In 2024, we advanced from a carbon-neutral ambition to a net-zero target by 2050, aligning with global climate goals. We have incorporated Scope 3 GHG emissions into our climate targets and participated in the Carbon Disclosure Project ("CDP") to enhance transparency and accountability in our decarbonisation strategy.

A key milestone in 2024 was the launch of our low-carbon aluminium brand, GEM™, produced primarily using renewable energy. Our GEM™ emits less than 4.0 metric tonnes of CO<sub>2</sub>e per metric tonne of aluminium (Scope 1 & 2 GHG emissions) — significantly lower than the industry average, measured within a cradle-to-gate boundary. This sustainable alternative supports industries prioritising green materials.

We have also strengthened our sustainability efforts through:

- The launching of a Scrap Recycling Project at Press Metal Sarawak in Mukah, increasing aluminium recycling.
- Expanded rooftop solar capacity by 1.2 MW in 2024, with an additional 6.3 MW currently under installation across downstream entities to reduce reliance on non-renewable energy.
- Advancing and progressing well in the carbon capture and utilisation ("CCU") project through a collaboration agreement signed in 2024 with Xi'an Jiaotong University ("XJTU"), exploring innovative emission reduction solutions.

Our commitment to sustainability is further reflected in our recognitions, acknowledging our proactive actions and management of material ESG risks:



## Chairman's Statement

### GOVERNANCE & COMMUNITY DEVELOPMENT

We uphold the highest standards of integrity, accountability and transparency, ensuring our decisions and actions drive sustainable value and prioritises stakeholders' interests. We integrate adaptability, innovation and sustainability into our strategic planning and acknowledge the need to foster collaboration with stakeholders to build mutual trust and shared success.

Beyond strong governance, we are committed to uplifting the local community. In 2024, our CSR and social initiatives positively impacted more than 1,900 people, focusing on education, sports, culture, environment, health, and social development. A key project is the ongoing development of a new township at Samalaju, which provides better housing environment for employees and supports the local economy through engaging local contractors and local sourcing.

### CONCLUSION & ACKNOWLEDGEMENT

As we look ahead, I am confident in our ability to execute our ambition to drive sustainable and profitable growth. However, uncertainties persist due to US tariff discussions, shifting global trade flows, and China's economic challenges, making it difficult at the time of the report writing to assess the full impact.

We are committed to achieving our climate goals through measurable targets, technological advancements and decarbonisation initiatives. With our innovation to develop green products, we are strengthening our position in the global market.

I extend my sincere thanks to our management, employees, customers, our various stakeholders and the Board of Directors for their steadfast commitment and support.

Together, we will excel and create value for all.

Thank you.

### DATUK YVONNE CHIA

Independent Non-Executive Chairman

## MANAGEMENT DISCUSSION AND ANALYSIS BY GROUP CEO

### Resilience in Motion, Progress with Purpose

“We aim to strike an optimal balance between economic returns and corporate responsibility so that both can advance in tandem for Press Metal.”



**Tan Sri Dato' Koon Poh Keong**  
Group Chief Executive Officer

Revenue

**RM14,910**  
million

FYE2023: RM13,805 million

EBITDA

**RM3,223**  
million

FYE2023: RM2,551 million

Profit Before Tax

**RM2,303**  
million

FYE2023: RM1,646 million

## Management Discussion and Analysis by Group CEO

### FOREWORD BY GROUP CEO

Throughout 2024, we navigated a rapidly evolving and dynamic macroeconomic landscape shaped by market volatilities, geopolitical tensions and policy uncertainties. Despite these external complexities, the strong foundation we have built over the years has enabled us to steer through headwinds successfully, achieving a record-breaking financial performance. Our agility, ability to adapt, low-carbon products and upstream integration have strengthened our position as SEA's largest integrated aluminium producer.

As we reflect on our achievements in 2024, we remain steadfast in our mission to create value for our stakeholders while contributing to a greener future. We aim to strike an optimal balance between economic returns and corporate responsibility so that both can advance in tandem for Press Metal. We have a clear roadmap to continue increasing our competitiveness in the global arena and we take proactive steps today to shape tomorrow's opportunities.

#### KEY HIGHLIGHTS OF 2024

##### Record PATAMI of RM1.8 billion

Achieved a 45% y-o-y growth, driven by strong smelting performance and higher contributions from associate companies

##### Higher contribution from Value-Added Products

Value-Added Products ("VAPs") which generally provide higher margins accounted for 47.9% of total sales volume in FYE2024, up from 40.6% in the previous year

##### Continued ESG progress and recognition

Upgraded MSCI ESG rating from 'A' to 'AA', underscoring our commitment to responsible and sustainable business practices

##### Strategic expansion in upstream alumina refineries

Strengthening long-term alumina supply security to reduce reliance on third-party sources

##### Introduction of GEM™, our low-carbon aluminium brand

Produced with a carbon footprint significantly lower than the industry average, measured within a cradle-to-gate boundary, reinforcing our commitment in sustainable aluminium solutions

#### INDUSTRY TRENDS & MARKET DYNAMICS

The global aluminium market in 2024 was marked by significant volatility, shaped by a complex interplay of geopolitical tensions, shifting trade policies and supply chain disruptions. Aluminium prices began the year above USD2,100 per tonne, reaching a peak of circa USD2,700 per tonne in May. This surge was driven by continuous demand from industries tied to renewable energy, rising raw material costs and restocking activities. However, a weaker-than-expected economic data combined with limited policy support for industrial growth led to a price correction in mid-2024. Prices rebounded to above USD2,500 per tonne by the end of the year, buoyed by lower US interest rates and persistent supply constraints in both the aluminium and alumina markets.

The global transition towards a low-carbon economy has emerged as a defining trend, significantly influencing the aluminium industry. As industries worldwide accelerate their decarbonisation efforts, the demand for sustainable aluminium has surged. Aluminium's unique properties — lightweight and recyclable — make it an essential material in renewable energy infrastructure, EVs and energy-efficient buildings. This shift towards sustainability has created a growing preference for low-carbon aluminium, positioning Press Metal advantageously in the market. Our commitment to producing low-carbon aluminium, powered by renewable hydropower, aligns seamlessly with the increasing demand for environmentally friendly materials.

Trade tensions and tariff policy changes have also reshaped the global aluminium landscape with the implementation of tariffs and imposition of restrictive policies toward certain countries. Although these may complicate supply chain and metal flow, we will seek to leverage upon these shifting dynamics to our advantage. The "China Plus One" strategy is expected to spur the development of a new supply chain ecosystem in SEA. This has opened up opportunities for alternative material supply sources, and Press Metal is strategically positioned to capitalise on these shifts.

Elevated alumina prices posed a significant challenge for aluminium producers worldwide in 2024. Although alumina prices began to ease towards the end of the year, risks remain, particularly in bauxite sourcing due to policy changes and supply disruptions. In response, Press Metal has intensified its focus on leveraging upstream alumina assets and enhancing vertical integration capabilities. By securing a stable supply of raw materials and optimising our production processes, we aim to mitigate the impact of price volatilities and strengthen our operational margins.

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Despite these challenges, the aluminium market remains balanced as new supply is limited and demand is supported by rising investments in green sectors such as renewable energy infrastructures, EVs, grid infrastructure and battery storage. These emerging applications, alongside traditional uses in construction and transportation, continue to drive demand for aluminium. Press Metal is well-positioned to ride on this growth, thanks to our low-carbon aluminium solutions, integrated production capabilities and efficient cost model. By aligning our strategies with the broader industry trends, we are enhancing our competitiveness and ensuring long-term resilience in an increasingly dynamic market.

### ► STRATEGIC FOCUS AREAS



#### Strengthening Upstream Presence

We have made significant progress in bolstering our upstream integration in recent years, particularly for alumina, the crucial raw material for aluminium production. PT BAI now boasts a capacity of two (2) million tonnes per annum with plans to expand by another two (2) million tonnes within two (2) years, bringing capacity to a total of four (4) million tonnes per annum. PT BAI, via its holding company, Nanshan Aluminium International Holdings Ltd. has also recently completed its Initial Public Offering and is now listed on the Hong Kong Stock Exchange, raising funds for its expansion.

In September 2024, we announced equity participation of 80% in a new alumina refinery, PT KAN in Indonesia. The refinery is expected to come on stream in two (2) years, with an annual production capacity of 1 to 1.2 million tonnes per annum with potential to increase this capacity in the future. Our upstream expansion will increase our alumina leverage substantially and boost our competitive edge across the aluminium value chain. It is an effective approach towards ensuring higher self-sufficiency and a stable supply of our alumina needs, which are critical to our core smelting operations. This will also reduce our reliance on third-party suppliers and traders, ensuring greater operational resiliency and efficiency. With the close proximity of the refineries in Indonesia to our smelters in Sarawak, we anticipate cost savings that will further optimise our overall operations.



#### Low-Carbon Aluminium Solutions

The demand for low-carbon aluminium is growing rapidly, driven by automotive, packaging, renewable infrastructure and construction industries, as global brands increasingly prioritise sustainability in their supply chains. This shift is driven by regulatory pressures, consumer demand for environmentally responsible products and corporate commitments to achieving net-zero emissions.

In sustaining the decarbonisation shifts, in 2024, we introduced our low-carbon aluminium under the brand name, GEM™, with a carbon footprint of less than 4.0 metric tonnes of CO<sub>2</sub>e emissions per metric tonne of aluminium (Scope 1 and Scope 2 GHG emissions). GEM™ offers a sustainable alternative for industries seeking to reduce their environmental impact without compromising on performance. Looking ahead, we aim to expand our low-carbon product portfolio to support our customers' sustainability goals further.



#### Harnessing Potential of the Renewable Energy Sector

Our downstream extrusion segment has strategically positioned itself to harness the immense potential of the renewable energy sector by delivering innovative, product-based solutions. In Malaysia, we have begun supplying and are also in the development phase with several new clients for solar panel frames. These advancements in providing extrusion solutions to the renewable energy sector highlight our capability to adapt to evolving market demands in downstream activities.

The vast potential in this sector is further demonstrated by our recent Memorandum of Understanding ("MoU") with the Bintulu Development Authority to develop a solar frame extrusion facility in Bintulu, Sarawak, which is expected to be operational by mid-2026. This project aligns with Press Metal's broader vision to expand our low-carbon aluminium applications and reinforces our role in supporting global energy transition efforts.



#### Partnerships with Global Industry Leaders

We are strengthening our position as a sustainable aluminium producer by forging strategic partnerships with global industry leaders. In 2023, we signed a five (5) year supply agreement with Daching Enterprise, one of the world's top three (3) aluminium foil suppliers. Building on this momentum, we recently inked a multi-year contract with Novelis, the world's largest aluminium recycler and a leader in low-carbon flat-rolled aluminium products. Under this agreement, we will be supplying our GEM™ low-carbon aluminium, further solidifying our role as a trusted partner in the global shift towards greener industrial practices.

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These partnerships reflect our commitment to collaborating with like-minded organisations that share our vision of being responsible stewards to our living environment. By aligning with global leaders, we are advancing our sustainability goals and contributing to broader global efforts towards decarbonisation. As we move forward, we will continue seeking and nurturing partnerships with companies that prioritise innovation, sustainability and responsible production while supporting the global transition to a low-carbon economy.



### Progress Towards Net-Zero 2050

As part of our long-term sustainability strategy, Press Metal remains committed to achieving net-zero emissions by 2050. In 2024, we made significant strides in our sustainability journey, with key achievements detailed in our Sustainability Report.

Sustainability is deeply embedded in the Press Metal culture, guiding every decision and process across our operations. To further advance our sustainability goals, we are exploring innovative solutions, such as carbon capture and utilisation and adopting circular economy practices to minimise emissions and waste. These initiatives are integral to reducing our environmental impact and ensuring the long-term sustainability of our operations.

### ▶ UPDATES ON OPERATIONAL ACTIVITIES

The year presented several operational challenges, including rising alumina prices driven by temporary supply disruptions and elevated freight costs exacerbated by port congestion and geopolitical tensions. The surge in alumina price has impacted all aluminium producers, however, our cost structure was cushioned from the full effect of the market price due to our lower-priced alumina inventory. Alumina prices started to ease towards year-end. Looking ahead, the expansion of refinery capacity in Indonesia, India and China is expected to increase global alumina production. This increase in supply is driving down high alumina prices, alleviating pressure on aluminium production costs.

In September 2024, our operation faced an unexpected challenge with a fire incident at Phase 3 of our Samalaju smelter. We are grateful that our robust safety protocols and swift evacuation measures have ensured no injuries or fatalities to any workers. The incident primarily affected our sales volume in the final quarter of 2024, caused by lower output from Phase 3 during the restoration period. We were swift in our recovery efforts, with full restoration of the affected pots back in production by February 2025. The financial impact was minimised as the affected assets were adequately covered by insurance.

Amid these challenges, we made significant strides in enhancing operational efficiency through resource optimisation initiatives. By streamlining processes and improving resource allocation, we have enhanced performance across our facilities. These efforts not only strengthen our resilience in the face of external pressures but also reinforce our commitment to sustainable and efficient operations. As we move forward, we remain focused on maintaining operational excellence while continuing to adapt to the dynamic market environment.



Read more about operational and other risks and opportunities in the *Managing Our Risks and Opportunities Effectively*.

### ▶ REVIEW ON FINANCIAL PERFORMANCE

	Financial Year Ended 31 December (RM'million)					
	2024	2023	2022	2021	2020	
Revenue	14,910	13,805	15,683	10,995	7,476	
EBITDA	3,223	2,551	2,768	2,045	1,239	
Profit before tax	2,303	1,646	1,952	1,443	655	
Profit after tax	2,125	1,518	1,767	1,295	587	
Profit attributable to shareholders	1,766	1,215	1,407	1,002	460	
Total assets	16,634	15,366	15,316	14,211	11,934	
Shareholders' funds	8,476	6,933	6,637	3,873	3,995	
Total equity	10,305	8,396	8,005	4,920	4,890	
Borrowings	4,084	4,628	5,093	6,370	5,148	
Net Debt/ Equity	Times	0.25	0.40	0.56	1.20	0.91
Net earnings per share*	Sen	21.43	14.75	17.16	12.41	5.69
Dividend per share*	Sen	7.0	7.0	6.0	3.4	2.1

Note:

Adjusted retrospectively to reflect the 1 for 1 bonus issue exercise completed in April 2021.

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### Revenue

In FYE2024, we achieved revenue of RM14.9 billion and record profit after tax, RM2.1 billion, marking an increase of 8% and 40.0% respectively compared to FYE2023. These growths were primarily driven by higher realised aluminium prices during the year compared to the previous year. The smelting segment remains the largest contributor of our revenue and profitability and the London Metal Exchange (“LME”) aluminium prices and premiums continue to play a pivotal role in shaping our financial performance. To mitigate the impact of price volatility, we continued our practice of employing partial forward hedging strategies for our production. This approach helped stabilise our revenue streams and provided a buffer against market fluctuations.



### Costs

Alumina, pre-baked carbon anodes and electricity make up the primary manufacturing costs of our smelting operations. In 2024, fluctuations in raw material prices, particularly alumina, driven by global production and supply chain disruptions, have posed significant challenges to the aluminium industry. The average market price of alumina for the year was USD501 per tonne – approximately 21% of the average aluminium price in 2024 as compared to 15% in 2023.

To address these challenges, Press Metal is increasing the investment on upstream alumina assets and strengthening vertical integration capabilities to mitigate raw material price volatility and bolster resilience against market uncertainties, aiming to optimise operational margins.

The price for pre-baked carbon anode was relatively stable in 2024, with market prices within the RMB4,200 to RMB4,500 range. The average market price in 2024 was 16% lower compared to average price in 2023.

In terms of electricity, our smelting plants benefit from the strategic location within the Sarawak Corridor of Renewable Energy. This enables us to access to a stable and cost-effective electricity supply, predominantly generated from hydropower. Our long-term power purchase agreements provide cost stability as compared to price fluctuations of coal and gas that affect many other smelters globally. This sustainable energy model not only supports our operational efficiency but also aligns with our commitment to low-carbon aluminium production.

By optimising our cost structure and leveraging renewable energy, we continue to strengthen our competitive edge in the global aluminium industry while advancing our sustainability goals.



### Profitability

In FYE2024, our profit before tax saw a significant increase of 40%, reaching RM2.3 billion. This improvement was driven by a combination of factors, including higher revenue, repayment of borrowings which reduced our net finance costs and stronger performance from our associate companies.

The Group’s financial performance in the second half of FYE2024 was impacted by the depreciation of the USD against the Malaysian Ringgit. A significant portion of our revenue, trade receivables and borrowings are denominated in USD and this led to foreign exchange losses, which partially offset our operational gains. Despite this challenge, we achieved a robust 45% increase in PATAMI, which rose to RM1.8 billion in FYE2024.



### Dividends

A total dividend of RM576.8 million, or approximately 33% of PATAMI, was declared in respect of FYE2024. Moving forward, we will continue to reward shareholders for their steadfast support subject to fulfilling our profitability, capital expenditure and overall liquidity requirements.



### Borrowings & Gearing

Our total borrowings decreased by 12%, from RM4.6 billion in FYE2023 to RM4.1 billion in FYE2024. The decrease in borrowings resulted from higher repayment of borrowings on the back of strong cash flow generation from operations. As a consequence, our net gearing ratio has decreased significantly, from 0.40 times in FYE2023 to 0.25 times in FYE2024.

**Total Borrowings** **RM4.1** billion

**Net Gearing Ratio** **0.25** times

## Management Discussion and Analysis by Group CEO

### ▶ MARKET OUTLOOK

Global economic growth is expected to remain stable in 2025, supported by a gradual decline in interest rate amid moderate growth in world economies. Despite that, the aluminium industry may continue to face volatilities. The US administration's announcement of a 25% tariff on aluminium imports has already sparked an initial market reaction, leading to higher aluminium prices and an increase in the US Midwest premium. While the US is a net importer of aluminium, this tariff will likely result in increased costs for US consumers, as the supply gap still necessitates reliance on external sources. While it is too early to determine the long-term impact on global metal flows and regional pricing, Press Metal's direct exposure to the US market remains minimal.

On a positive note, tight alumina supplies are expected to ease further in 2025, thanks to the start-up of new alumina refineries and the expansion of existing facilities. This should alleviate some of the cost pressures faced by aluminium producers. Furthermore, demand for aluminium is projected to grow steadily in the coming years, fuelled by the rapid expansion of green industries such as EVs, renewable energy, transmission and storage. These sectors represent significant growth potential, as aluminium's lightweight and recyclable properties make it a critical material for sustainable technologies.

The shift of manufacturing operations to the ASEAN region, driven by the "China Plus One" strategy and rising geopolitical tensions in other regions, is expected to continue. This trend is likely to boost demand for local and regional sources of aluminium, further strengthening SEA's position in the global supply chain.

In summary, while the aluminium industry faces challenges from macroeconomic and geopolitical factors, the growing demand from green industries and the regionalisation of supply chains present significant opportunities. Meanwhile, global aluminium supply constraints will remain a key factor in stabilising aluminium prices. Press Metal is well-positioned to capitalise on these trends, leveraging our low-carbon aluminium solutions and strategic investments to drive sustainable growth in 2025 and beyond.

### APPRECIATION

I would like to take a moment to express my deepest gratitude to everyone who has contributed to Press Metal's success.

First and foremost, I want to thank our incredible team — the heart and soul of Press Metal. Your hard work, passion, and commitment to excellence have been instrumental in achieving our milestones. Each of you has played a vital role in shaping our success.

To our valued shareholders, thank you for your continued trust and confidence in Press Metal. Your support has enabled us to pursue ambitious growth strategies, invest in sustainable innovations, and deliver strong financial performance. We remain committed to creating long-term value for you and are grateful for your steadfast belief in our vision.

Our partners and suppliers are integral to our success and we deeply appreciate the strong relationships we have built over the years. We look forward to continuing our journey together, driving innovation and sustainability across the aluminium value chain.

I would also like to give thanks to our esteemed Board of Directors for your guidance, wisdom and strategic oversight. Your leadership has been invaluable in steering Press Metal through a complex and rapidly changing landscape. Your insights and advice have helped us stay focused on our long-term goals while adapting to today's challenges and tomorrow's opportunities.

Once again, thank you to all for your contributions and I look forward to your continuous support.

**TAN SRI DATO' KOON POH KEONG**

Group CEO

## THE MARKET WE OPERATE IN

Geopolitical tensions and trade conflicts have shaped the global economic landscape in 2024, with cautious optimism prevailing despite persistent uncertainties. The International Monetary Fund's World Economic Outlook projected a global real gross domestic product growth at 3.2%, slightly lower than 3.3% in 2023. Meanwhile, fluctuations in raw material prices, particularly alumina, have posed challenges for the aluminium industry, as production and supply chain disruptions continue to impact input costs of aluminium smelters globally.

Amid these challenges, the global push for decarbonisation and clean energy have driven greater demand for aluminium, opening new avenues for sustainable growth. The increasing adoption of the "China Plus One" strategy was also expected to reshape supply chains in SEA, broadening access to alternative material sources and strengthening regional industry development.

In response, strategic partnerships are being developed across the value chain to secure a stable supply of raw materials and support long-term business sustainability. These initiatives not only enhance resilience against economic and political uncertainties but also position the business to capitalise on emerging opportunities in an evolving global landscape.

### Aluminium Demand and Price Fluctuations

#### Global Megatrend

In 2024, the global aluminium market experienced significant price volatility, marked by a series of sharp fluctuations. Aluminium prices reached a high of USD2,700 per tonne by the end of May, building on a steady rise from January's low of USD2,110. However, this upward trend was short-lived, with prices retracted to USD2,161 per tonne by the end of July. This correction was largely attributed to a weaker-than-anticipated growth outlook in China, where sluggish manufacturing activity and limited policy support for the industrial sector stifled broader economic expansion.

Despite this setback, aluminium prices rebounded in the second half of the year, closing at USD2,516 per tonne. Several factors contributed to this resurgence. Sustained demand from industries such as grid infrastructure, solar energy, and EVs played a key role, alongside the rising price of alumina — a critical raw material in aluminium production. A major supply disruption in bauxite led to a 90% surge in alumina prices from January to December, which exacerbated aluminium smelting costs globally.

In parallel, the US Federal Reserve's decision to lower interest rates by one (1) percentage point since September 2024 helped to bolster investor confidence and improve the global economic outlook, further supported the aluminium prices as the year drew to a close.

While demand for aluminium remained relatively weak in Europe, the Asian market proved more resilient. Economic recovery in Asia, driven in part by manufacturing relocations and diminished stockpiles among downstream manufacturers, resulted in increased demand. This trend is reflected in the rising premiums for aluminium in the region. Overall, global aluminium demand continues to trend upwards, driven primarily by the ongoing transition to renewable energy and the growth of EVs, although the pace of growth has slowed.

#### Impact on Business Operations

- Our profitability is influenced by LME's aluminium prices, which are shaped by geopolitical instability, energy costs, economic performance, inflationary pressures, and the pace of green infrastructure adoption. Movements in alumina prices also impact production costs, thereby directly affecting overall profitability.
- Economic conditions and macroeconomic trends in the Asian market impact Press Metal's performance, as our revenue is derived from these regions. We mitigated these risks by expanding our VAPs and extrusions segment, as well as expanding into the upstream segment to secure our profit margins.

#### Outlook for 2025

As we enter into 2025, we continue to monitor global trade developments that may affect near-term economic conditions. While the broader outlook remains uncertain, we continue to observe medium- to long-term opportunities driven by increasing demand from renewable energy sector. These structural trends are expected to support sustained demand for aluminium.

On a positive note, alumina supply tightness is expected to ease in 2025, with the start-up of new alumina refineries and the expansion of capacity at existing refineries. Additionally, demand for aluminium is forecast to grow, driven by increased needs in green industries such as EVs, renewable energy, energy transmission, and energy storage. The shift of manufacturing to the ASEAN region, driven by the "China Plus One" strategy and escalating trade tensions, is also expected to further boost demand for local and regional aluminium supplies.

Given these factors, aluminium prices are projected to continue their upward trajectory in the coming years, with Bloomberg Intelligence forecasting a 2% growth in aluminium demand for 2025<sup>1</sup>. Although the outlook remains positive, we remain cautious due to ongoing global geopolitical uncertainties.

## The Market We Operate In

### Supply Chain

#### Global Megatrend

Supply chains worldwide continue to face significant instability and disruptions, which have affected economies and industries globally in recent years. While the impact of the COVID-19 pandemic on supply chains continues to ease in 2024, new challenges have emerged, primarily driven by geopolitical tensions, conflicts, and extreme weather events.

A major issue arose with the Red Sea shipping crisis, which led to a sharp decline in the number of ships transiting through the Suez Canal. Average daily transits fell by 55% compared to 2023, resulting from shifts towards the longer and more time-consuming alternative route via the Cape of Good Hope<sup>2</sup>. This change added at least ten (10) days to delivery times on average, exacerbating pressures on companies already dealing with limited inventories<sup>3</sup>.

Meanwhile, on the other side of the world, the Panama Canal faced its worst drought in recorded history, prompting authorities to impose strict restrictions that drastically reduced the number of ship crossings. These limitations added an average of six (6) days to transit times, further disrupting global trade<sup>4</sup>. In addition to delays, the crises at two (2) of the world's most important maritime chokepoints led to heightened port congestion, increased shipping costs, and a rise in GHG emissions from longer transport routes.

In parallel, bauxite supply disruptions had a significant impact on alumina availability. Guinea, responsible for around 32% of global bauxite supply, suffered major flooding in early 2024, halting bauxite shipments. This was compounded by export restrictions in the later part of the year. A stranded vessel near Juruti Port in Brazil also caused disruptions, halting bauxite shipments from the area<sup>5,6,7</sup>. Further supply constraints were caused by refinery closures and force majeure events in Australia. These disruptions led to record-high alumina prices in 2024, which have driven up aluminium production costs, marginalised profitability for smelters, and forced some producers to reduce output<sup>8</sup>.

Ongoing uncertainties surrounding government policy also weighed heavily on global supply chains. The ongoing Russian-Ukraine conflict continued to disrupt the flow of critical raw materials in 2024, exacerbated by increased sanctions on Russia and the introduction of new European Union ("EU") export regulations.

#### Impact on Business Operations

- Disruptions in the supply of raw materials could lead to increased production costs, affecting overall business operations and profitability.
- Logistics challenges, both locally and globally, may cause delays in the delivery of raw materials and products, potentially leading to customer dissatisfaction, decreased loyalty, and reputation damage.
- Increased freight demand due to logistics disruptions could result in shortages, higher freight, insurance and warehouse storage costs, and extended turnover days, impacting operating costs and profitability.

#### Outlook for 2025

Persistent geopolitical tensions and global conflicts continue to pose significant risks to the stability of supply chains, affecting manufacturers' ability to secure essential inputs and access to export markets. These tensions, alongside rising protectionist policies and trade restrictions, are exacerbating the risks of material shortages and escalating operational costs for the aluminium industry.

The Red Sea crisis is a critical concern, with ongoing conflict in the Middle East causing continued disruption to maritime activity. The uncertainty surrounding this situation means delays in shipments may persist, putting further strain on global supply chains and forcing businesses to rely on more expensive and time-consuming alternative routes.

Indonesia's ban on bauxite exports which commenced from June 2023, coupled with export challenges in Guinea, have contributed to a decline in global alumina supply, increasing the risk for a compounded shortage. Although alumina supply is expected to improve in 2025, such protectionist actions highlight the importance of securing reliable alumina sources. Our commitment to expanding upstream operations is essential to ensuring the long-term sustainability of our business. Additionally, the increasing frequency of extreme weather events presents an added challenge to the global alumina supply, prompting us to stay vigilant in managing resources and adjusting business operations' strategies accordingly.

## The Market We Operate In

### Transition to a Low-Carbon Economy

#### Global Megatrend

The World Meteorological Organisation has confirmed that 2024 was the warmest year on record, with global temperatures in certain geographical areas surpassing 1.5°C above pre-industrial levels for the first time<sup>9</sup>. This highlighted the urgent need for governments and organisations to accelerate decarbonisation efforts and transition from fossil fuels to renewable energy sources, in line with the Paris Agreement's goal of limiting long-term temperature rise to 1.5°C. In response, the International Energy Agency ("IEA") projected global energy investments is expected to exceed USD3 trillion in 2024, with USD2 trillion allocated to clean energy technologies and infrastructure<sup>10</sup>.

The growing urgency for action has created new opportunities for the aluminium industry, as aluminium is a key material in green technologies. Its lightweight properties, high strength-to-weight ratio, and excellent conductivity make it essential for sectors such as renewable energy. However, aluminium production is highly carbon-intensive, contributing over 1.1 billion tonnes of CO<sub>2</sub>e annually as about 60% of global primary aluminium smelting relies on non-renewable energy sources, with coal being the largest contributor. To align with the Paris Agreement's goals, the industry must reduce its GHG emissions to 0.8 billion tonnes by 2030 and 53 million tonnes by 2050<sup>11</sup>.

Aluminium's role in green industries is set to expand, driven by the growth of renewable energy infrastructure and EVs. Aluminium is crucial in solar photovoltaic components, making up over 85% of the material in most installations. As solar energy capacity continues to increase, global demand for aluminium is expected to rise by 160 million tonnes by 2050<sup>12</sup>. On the transportation front, the IEA projected the total fleet of EVs to grow to about 250 million in 2030, from less than 45 million in 2023. The aluminium content in EVs is also projected to grow to 350 kg per vehicle by 2030, a significant increase from 190 kg in 2020<sup>13,14</sup>. Additionally, aluminium's recyclability — requiring up to 95% less energy to produce than primary production — has led to a rise in secondary aluminium production, with scrap recycling rates at an all-time high.

Global initiatives such as the COP29 Global Energy Storage and Grids Pledge, launched in Baku, Azerbaijan, are further boosting demand for aluminium. The pledge aimed for a sixfold increase in energy storage capacity by 2030, which called for stronger and more transparent supply chains to support resilient renewable energy grids<sup>15</sup>. With aluminium playing a key role in energy storage and transmission, the demand for the material is expected to grow in tandem with global efforts to expand grid infrastructure and accelerate clean energy adoption.

In line with these trends, China, which produces over half of the world's aluminium, has taken significant steps to reduce emissions from its aluminium sector. By 2025, China aims for 30% of its aluminium capacity to meet efficiency benchmarks, with 25% of energy coming from renewable sources and recycled aluminium output to reach 11.5 million tonnes. Meanwhile, Malaysia has committed to a 45% reduction in carbon intensity by 2030, relative to 2005 levels, with the introduction of the Energy Efficiency and Conservation Act ("EECA") 2024. This legislation aims to improve energy efficiency across various sectors, with Sabah and Sarawak also planning to develop their own energy efficiency regulations.

#### Impact on Business Operations

- Our smelting operations are powered predominantly by hydroelectric energy, positioning us as a producer of low-carbon aluminium. This provides a competitive advantage as both consumers and investors increasingly prioritise climate-conscious solutions.
- The growing adoption of solar energy and the expansion of EVs present significant opportunities, with aluminium demand projected to rise substantially over the coming decades.
- As an integrated aluminium producer in SEA, we are well-positioned to benefit from the potential relocation of EV manufacturing facilities to the region, aligning with the evolving supply chain ecosystem.
- Through our commitment to low-carbon aluminium solutions and an efficient cost model, we aim to further strengthen our market position, broaden our geographical footprint, and optimise our large-scale production capabilities.

#### Outlook for 2025

The IEA forecasted that global renewable energy capacity will expand by more than 5,500 GW between 2024 and 2030, nearly tripling the increase seen from 2017 to 2023. Solar energy is expected to represent 80% of the growth in global renewable capacity during this period, presenting significant opportunities for the aluminium industry, as aluminium makes up over 85% of most solar photovoltaic components. Additionally, the continued rise in EV adoption is set to drive further demand, with sales expected to grow by an average of 21% annually over the next four (4) years<sup>16,17</sup>.

Our shift towards greener industries necessitates progress in decarbonising our operations. To meet our goal of net-zero emissions by 2050, we remain focused on adopting cleaner technologies, increasing aluminium recycling rates, and improving energy efficiency across our operations. Moreover, as the regulatory landscape in Malaysia and China evolve, we are committed to implementing the necessary measures to ensure full compliance with emerging regulations.

## The Market We Operate In

### Geopolitical Tension

#### Global Megatrend

Aluminium plays a critical role across various key industries, and its significance is growing as the world continues its push towards decarbonisation. However, ongoing tensions between major trading nations have been a persistent factor disrupting global supply chains. Protectionist policies, such as tariffs, trade restrictions, export quotas, and financing limitations, have created an uncertain environment for the industry.

In April 2024, the US and the United Kingdom jointly imposed a ban on the import of Russian aluminium. Meanwhile, the EU has banned aluminium products such as wire, tubes, and foil, which account for less than 15% of its aluminium imports<sup>18</sup>. Although the EU continues to import Russian aluminium, volumes have decreased over the past two (2) years. Western sanctions have led to increased isolation of Russian metal producers, with Russia redirecting its aluminium exports to China.

In the backdrop of escalating global trade tensions in November 2024, the US unveiled its trade policies, which will impose a 25% tariff on imports from Mexico and Canada, along with an additional 10% tariff on goods from China<sup>19</sup>, further straining international trade relations. These measures add to the expanding wave of protectionist policies and deepening economic friction between international trade relationships. At the same month, China announced the end of tax rebates on aluminium products exports, a decision anticipated to lead to a decline in export volumes<sup>20</sup>.

These actions by major trading nations highlight the increasing fragmentation of the global aluminium market, with distinct regional segments defined by trade barriers. This trend is expected to persist as long as current geopolitical tensions continue.

#### Impact on Business Operations

- Geopolitical tensions, trade conflicts, and sanctions can disrupt the global aluminium supply chain, causing price volatility. However, these shifts in the aluminium market also present new opportunities for market access.
- To mitigate these risks, we have implemented proactive strategies to secure our raw material supply, explore new markets, and enhance the sustainability of our practices.

#### Outlook for 2025

The aluminium market is expected to remain highly sensitive to ongoing geopolitical fragmentation, due to tensions arising from the Russia-Ukraine conflict and the US trade disputes with other countries. These factors could lead to demand-supply imbalances and price volatility, which require close monitoring and adaptability to the changes in the global political landscape. With geopolitical tensions mounting, it is crucial for us to stay agile and adapt to the market dynamics to maintain our competitiveness. To this end, we are focused on strengthening our supply chain resilience, expanding our sales network, and building strategic partnerships with upstream business partners.

As aluminium prices remain volatile due to supply constraints and increasing demand from green sectors, managing input costs effectively and swiftly adapting business strategies will be critical to capitalising on emerging opportunities.

## The Market We Operate In

### Digital Transformation and Industry 4.0

#### Global Megatrend

Advancements in digital technologies are transforming the aluminium industry, allowing producers to gather, analyse, and utilise production data more effectively at both the factory floor and control room levels. The integration of IoT sensors is optimising production processes and enhancing real-time data collection and monitoring, enabling precise oversight and improved performance<sup>21</sup>.

In smelting, these innovations have significantly enhanced anomaly detection in electrolytic cells, addressing critical challenges such as anode effects, temperature fluctuations, and losses in production efficiency — issues that could lead to serious operational and safety concerns. This technological progress has led to reduction in perfluorocarbons (“PFCs”) emissions and operational downtimes, improving both the environmental sustainability and operational efficiency of the smelting process<sup>22</sup>.

As digitalisation becomes increasingly integral to the industry, cybersecurity has emerged as a key priority. With systems becoming more interconnected, robust cybersecurity measures are essential to safeguard operations and ensure the integrity of critical infrastructure.

#### Impact on Business Operations

- New technologies and innovations enable us to enhance resource utilisation efficiency, improve oversight precision, and optimise production performance, resulting in overall improvement in operational efficiency.
- By increasing data interconnectivity and adopting integrated smart automation, we are able to implement cutting-edge technologies and innovative solutions to further refine our operations and reduce operational GHG emissions.
- As digitalisation expands, cybersecurity measures will be enhanced to safeguard our production systems against potential threats, ensuring operational continuity and data integrity.

#### Outlook for 2025

We are committed to adopting innovative solutions that drive continuous improvement and sustainability across our operations. By integrating new technologies, Press Metal is poised to achieve significant gains in operational performance and long-term growth. These advancements will enable cost savings, ensure robust compliance with environmental regulations, and enhance product quality. Embracing this technological evolution, Press Metal is positioned as a forward-thinking organisation in an increasingly dynamic and rapidly evolving global market.

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# ENGAGING WITH OUR STAKEHOLDERS

At Press Metal, we understand the importance of our stakeholders to our long-term success. We are committed to engaging with all stakeholder groups through various channels, in order to stay aligned with their evolving expectations. This approach enables us to meet their expectations effectively, driving inclusive and sustainable growth while ensuring our business strategies meet the needs of those who are integral to our success.

**Frequency of Engagement** ● Ongoing Basis ● Monthly ● Quarterly ● Annually ● As Required

**Business Partners**

<p><b>Why They Matter</b> Our business partners provide us with essential resources and distribution channels that are vital for our sustained growth and success.</p> <p><b>Engagement Channel</b></p> <ul style="list-style-type: none"> <li>● Meetings</li> </ul>	<p><b>Expectations and Area of Interest</b></p> <ul style="list-style-type: none"> <li>● Compliance with laws and regulations</li> <li>● Efficient aluminium manufacturing</li> <li>● Protection of confidential data and information</li> <li>● Climate change and environmental management</li> <li>● Ethical and fair business practices</li> <li>● Continuous business opportunities</li> </ul> <p><b>Our Response</b></p> <ul style="list-style-type: none"> <li>● Maintained a comprehensive suite of legal registers</li> <li>● Incorporated process improvement initiatives within our operations</li> <li>● Managed social and environmental risks responsibly and obtained ISO 45001:2018, ISO 14001:2015, and ISO 50001:2018 certifications</li> <li>● Safeguard customer data in accordance with all relevant data management laws</li> <li>● Strengthened environmental sustainability through enforcement of policies and improved practices</li> <li>● Promoted responsible practices and procedures across our supply chain through the enforcement of policies and implementation of programmes</li> </ul>
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**Employees**

<p><b>Why They Matter</b> Our employees are one of the driving forces behind our growth, making it vital to provide them with inclusive work environments and developmental resources to support their career advancement goals.</p> <p><b>Engagement Channel</b></p> <ul style="list-style-type: none"> <li>● Town halls</li> <li>● Employee engagement surveys</li> <li>● Annual performance evaluations</li> <li>● Company intranet, mobile platform, emails, memos</li> <li>● Learning and development programmes</li> <li>● Grievance channels</li> </ul>	<p><b>Expectations and Area of Interest</b></p> <ul style="list-style-type: none"> <li>● Health and safety at the workplace</li> <li>● Upholding of human rights, diversity, and inclusivity in the workplace</li> <li>● Product quality and customers' satisfaction</li> <li>● Ethical and fair business practices</li> <li>● Efficient aluminium manufacturing procedures</li> <li>● Opportunities for career progression and professional growth</li> <li>● Competitive remuneration</li> </ul> <p><b>Our Response</b></p> <ul style="list-style-type: none"> <li>● Managed Occupational Health and Safety ("OHS") risks responsibly and obtained ISO 45001:2018 certification</li> <li>● Established a robust employee management system and grievance mechanisms for employees to raise concerns</li> <li>● Established plant-specific policies on product quality and obtained ISO 9001:2015 certification</li> <li>● Established policies and procedures to uphold good governance practices</li> <li>● Provided upskilling and reskilling trainings to maximise our employees' potential to meet evolving market demands</li> <li>● Implemented initiatives to enhance the well-being of our female workforce</li> </ul>
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## Engaging with Our Stakeholders



### Customers/ Distributors

#### Why They Matter

Our customers and distributors play a crucial role in enabling us to meet our financial goals and expand our market reach, while also providing valuable feedback that guides our innovation and continual improvement efforts.

#### Engagement Channel

- Customer audits
- Meetings and visitations
- Annual customer satisfaction survey

#### Expectations and Area of Interest

- Ethical and fair business practices
- Product quality and customers' satisfaction
- Workplace health and safety
- Prevention of anti-competitive practices
- Climate change and environmental management
- Continuous improvement and innovation

#### Our Response

- Established policies and procedures to uphold good governance practices
- Established plant-specific policies on product quality and obtained ISO 9001:2015 certification
- Managed social and environmental risks responsibly and obtained ISO 45001:2018, ISO 14001:2015, and ISO 50001:2018 certifications
- Promoted responsible practices and procedures across our supply chain through the enforcement of policies and implementation of programmes
- Strengthened environmental sustainability through improved practices and enforcement of policies
- Engagements with customers to collect feedback



### Local Communities

#### Why They Matter

As a responsible corporate citizen, we have a duty to contribute to local community development, both through the economic value generated by our business and through programmes that create sustainable social value.

#### Engagement Channel

- Town halls
- Dialogues and meetings
- Corporate social responsibility events
- Grievance channels

#### Expectations and Area of Interest

- Conservation and protection of natural ecosystems
- Responsible management of environmental and social impacts
- Local recruitment policies
- Workplace health and safety
- Effective management of community relations

#### Our Response

- Managed social and environmental risks responsibly and obtained ISO 45001:2018, ISO 14001:2015, and ISO 50001:2018 certifications
- Prioritised hiring of locals to meet our workforce needs
- Organised community development programmes which focused on promoting education, health and economic development
- Promoted responsible practices and procedures across our supply chain through the enforcement of policies and implementation of programmes
- Provided grievance mechanisms for internal and external stakeholders to raise concerns



### Media/ Analysts

#### Why They Matter

The media and analysts play a vital role in shaping public opinion and providing valuable industry insights which we can leverage to drive growth. Thus, it is essential that we cultivate strong and mutually beneficial relationships with them.

#### Engagement Channel

- Conferences and briefings
- Media releases and announcements
- Quarterly reports
- Annual reports
- Corporate website

#### Expectations and Area of Interest

- Ethical and fair business practices
- Compliance with laws and regulations
- Mitigation of business and financial risks
- Sustainable financial performance
- Efficient aluminium manufacturing performance
- Climate change and environmental management
- Transparent communication

#### Our Response

- Established policies and procedures to uphold good governance practices
- Managed social and environmental risks responsibly and obtained ISO 45001:2018, ISO 14001:2015, and ISO 50001:2018 certifications
- Maintained a comprehensive suite of legal registers
- Established our Enterprise Risk Management ("ERM") Framework, which is aligned with ISO 31000:2018 Risk Management – Guidelines
- Strategically managed our assets to optimise financial returns
- Implemented process improvement initiatives
- Communicated our progress through conferences, briefings and press releases

## Engaging with Our Stakeholders



### Government/ Regulatory Authorities

#### Why They Matter

Engaging with authorities is pivotal to stay abreast of industry regulations and developments, enabling us to minimise our risk of non-compliance and drive improvements to our operational framework, policies and strategies.

#### Engagement Channel

- Dialogues and meetings
- Government/ regulatory events/ visits

#### Expectations and Area of Interest

- Workplace health and safety
- Upholding of human rights
- Ethical and fair business practices
- Compliance with laws and regulations
- Protection of confidential data and information
- Climate change and environmental management

#### Our Response

- Established policies and procedures to uphold good governance practices
- Managed social and environmental risks responsibly and obtained ISO 45001:2018, ISO 14001:2015, and ISO 50001:2018 certifications
- Established robust approaches to employee management and local community management
- Provided grievance mechanisms for internal and external stakeholders to raise concerns



### Suppliers/ Contractors/ Service Providers/ Consultants

#### Why They Matter

Our suppliers, contractors, service providers and consultants are important as they provide us with essential resources such as raw materials, technologies and specialised expertise, enabling us to meet evolving business needs and drive continuous growth.

#### Engagement Channel

- Periodic meetings
- Annual performance evaluation
- Supplier assessments

#### Expectations and Area of Interest

- Ethical and fair business practices
- Product quality and customers' satisfaction
- Compliance with laws and regulations
- Workplace health and safety
- Efficient aluminium manufacturing performance
- Supplier capacity building programmes

#### Our Response

- Established policies and procedures to uphold good governance practices
- Managed social and environmental risks responsibly and obtained ISO 45001:2018, ISO 14001:2015, and ISO 50001:2018 certifications
- Established a robust employee management system that includes our Human Rights Policy and grievance mechanisms for employees to raise concerns
- Promoted responsible practices and procedures across our supply chain through the enforcement of policies and implementation of programmes
- Strengthened environmental sustainability through improved practices and enforcement of policies

## Engaging with Our Stakeholders



### Capital Providers (Financiers, Shareholders, Investors)

#### Why They Matter

The trust and confidence of our capital providers are essential to ensure continued access to funding at competitive rates and terms. Our engagements with them also enable us to identify opportunities, risks and emerging trends in financial markets, driving the creation of effective, long-term strategic plans.

#### Engagement Channel

- Media releases and announcements
- Annual General Meeting
- Annual reports
- Quarterly reports
- Corporate website

#### Expectations and Area of Interest

- Ethical and fair business practices
- Sustainable financial performance and return on investment
- Compliance with laws and regulations
- Social and environmental responsibility
- Effective risk management strategies
- Climate change and environmental management

#### Our Response

- Established policies and procedures to uphold good governance practices
- Strategically managed our assets to optimise financial returns
- Maintained a comprehensive suite of legal registers
- Regularly monitor compliance with financing/ investment terms and conditions and covenants
- Established ERM Framework, which is aligned with ISO 31000:2018 Risk Management – Guidelines
- Transparent and timely disclosures of financial performance



### Key Senior Management

#### Why They Matter

Our Key Senior Management are pivotal in implementing strategies to achieve our goals, making it vital to providing them with appropriate resources, support and guidance.

#### Engagement Channel

- Quarterly Board meetings
- Executive Committee meetings

#### Expectations and Area of Interest

- Group strategies
- Business development strategies
- Partnerships and collaborations
- Robust corporate governance practices
- Performance of manufacturing facilities
- Contributions to local communities and society
- Human capital management
- Climate change and environmental management
- Quality of products and services

#### Our Response

- Provided Key Senior Management with the required support and resources to execute their responsibilities in a manner that enables business growth and advances our sustainability agenda
- Established ESG Remuneration Framework to incentivise relevant Key Senior Management personnel to drive improvements to our sustainability performance
- Adopted Remuneration Policy to guide the compensation of Directors and Key Senior Management
- Ensured our manufacturing entities are certified with relevant ISO management systems
- Aligned our ERM Framework with ISO 31000:2018 Risk Management – Guidelines
- Undertook succession planning

## MATERIAL MATTERS AT OUR CORE

Understanding the evolving business environment is important for Press Metal to capitalise on existing and emerging opportunities as well as strategising plans to avoid or minimise potential or underlying risks that may affect the ability to generate value over time. Materiality assessment, which serves as a tool for the identification and prioritisation of sustainability matters, provides insights into matters that are important to the Group and our stakeholders. The outcome of which, underpins the basis for the development of Press Metal's overall strategy, effectively addresses matters in a meaningful and objective manner.

In FYE2022, we conducted a comprehensive materiality assessment through which 18 material matters were identified. The materiality assessment was performed in line with the methodologies outlined by Bursa Malaysia's Sustainability Toolkit: Materiality Assessment (3<sup>rd</sup> Edition), the GRI Standards, as well as guidance from the Materiality Guiding Principle of the <IR> Framework.

### STEP 1

#### Review Existing Material Matters

In FYE2024, we assessed the relevance of our existing 18 material matters by:

- Identifying key risks and opportunities
- Considering stakeholders' issues and concerns
- Considering matters raised during the PMAH's 8<sup>th</sup> Annual General Meeting ("AGM")
- Considering sustainability reporting standards and guidelines (e.g., GRI Standards, Bursa Malaysia's Sustainability Reporting Guide (3<sup>rd</sup> Edition))
- Considering global and local sustainability trends in the aluminium sector (spanning economic, environmental, social and governance issues)
- Undertaking benchmarking against our industry peers

### STEP 2

#### Assess Importance to Business and Stakeholders

To ensure continued relevance, we revisited the outcome of the comprehensive materiality assessment, which was conducted in FYE2022, to evaluate the continued relevance of stakeholder input on key material matters. During the review, we reassessed the sustainability impact ratings of each material matter; evaluated them based on the severity of their impact and the likelihood of occurrence. From the assessment, the FYE2024 Materiality Matrix was refined, categorising material matters into two (2) tiers: high and medium. While low-priority matters are acknowledged, strategic efforts are directed towards high and medium-priority areas to align with business objectives and maximise impact.

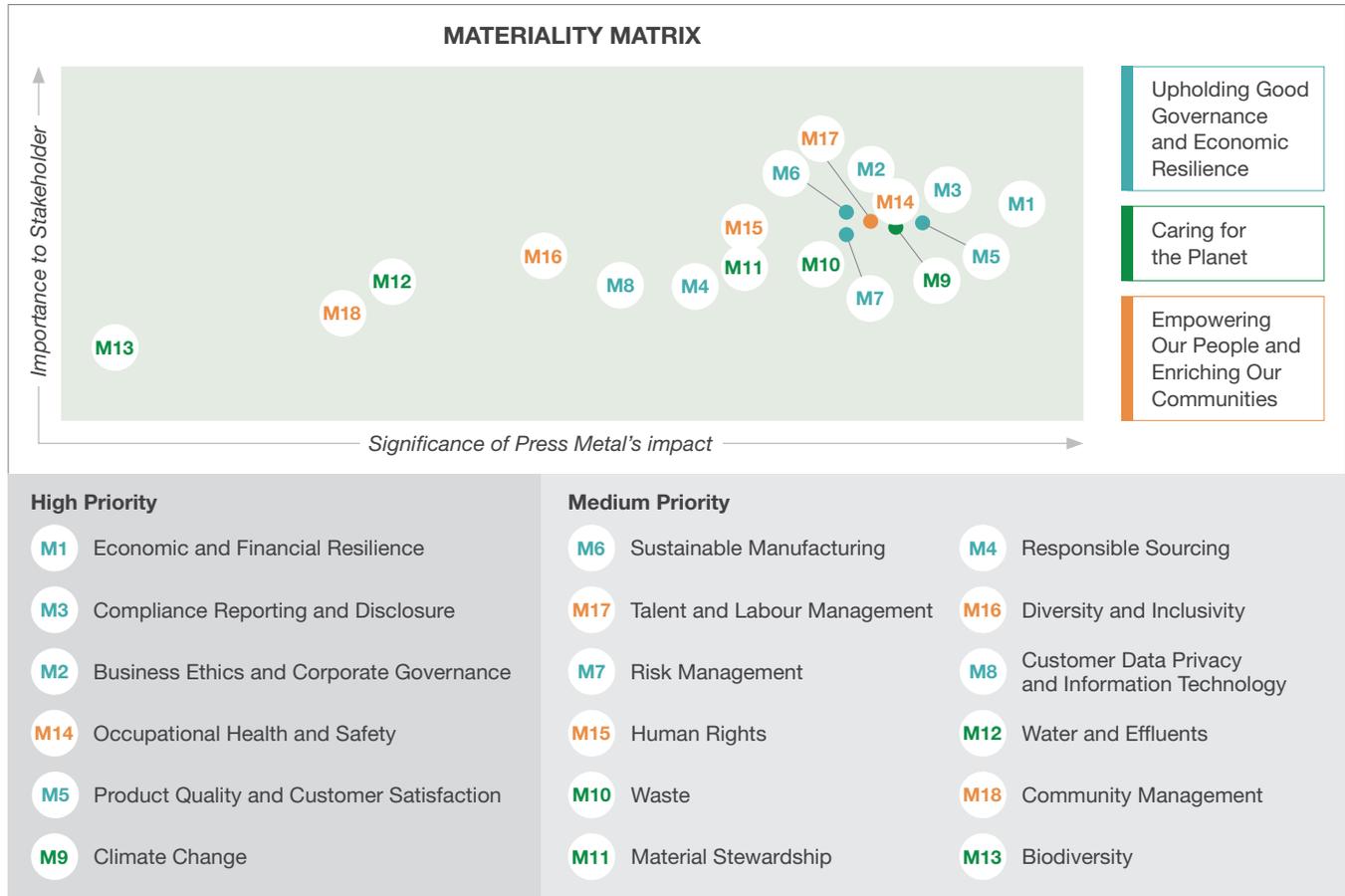
Based on the FYE2024 assessment, the priorities identified remained well-aligned with the evolving business landscape and sustainability agenda.

### STEP 3

#### Review and Validation

The FYE2024 Materiality Matrix has undergone a thorough review by the Sustainability Committee and the Risk Management Committee to validate its relevance in the evolving business and sustainability landscape. Following this assessment, the FYE2024 Materiality Matrix was presented to the Board for approval.

## Material Matters at Our Core



Our FYE2024 Materiality Matrix reflects the following changes to the importance of specific material matters in comparison to FYE2023:

- Economic Performance has been redefined as Economic and Financial Resilience, reflecting Press Metal's dedication to maintaining financial stability and business resilience. This shift underscored the Group's strategic readiness to ensuring effective navigation of challenges, strengthening of our market position, and supporting long-term strategic goals in a dynamic global landscape.
- Regulatory Compliance has risen in priority, shifting from medium to high, driven by the introduction of new sustainability-related legislation. These include Malaysia's National Sustainability Reporting Framework, the EECA 2024 and the anticipated carbon tax set for 2026. These regulatory developments highlight the increasing significance of compliance and the need for accurate and transparent disclosure. In support of this, Regulatory Compliance has been redefined as Compliance Reporting and Disclosure.
- The ranking of Business Ethics and Corporate Governance increased, which may be caused by heightened investor expectations, stricter regulatory requirements, and a stronger emphasis on transparency, ethical business conduct, and governance reforms to align with global best practices.
- Climate change remains a high-priority material matter for Press Metal, given its far-reaching implications for business operations. While a comprehensive climate management framework is in place, emerging risks, operational challenges and tightening regulations could impact competitiveness. Additionally, the industry's accelerated transition towards low-carbon aluminium production and the growing demand for sustainable solutions reinforce the need to adopt energy-efficient practices and expand low-carbon offerings. Adapting to these developments is essential for maintaining operational resilience and strengthening market position.

Maintaining the relevance of our material matters amid an evolving business landscape, global trends, and stakeholder expectations is essential. Accordingly, a comprehensive double materiality assessment will be undertaken in 2025 to evaluate both financial and ESG impacts of Press Metal and proactively adapt our strategies to drive long-term sustainable value creation. The Board and Senior Management will continue to oversee all material matters, ensuring that risks and potential impacts are systematically assessed, and supporting the development of targeted strategies to mitigate risks while maximising positive outcomes.

# MANAGING OUR RISKS AND OPPORTUNITIES EFFECTIVELY

Press Metal is cognisant of the importance in implementing a robust and effective ERM framework and undertaking continuous monitoring of identified risks. Through rigorous oversight and targeted risk mitigation measures, the Group manages potential threats while capitalising on opportunities that support long-term value creation. This approach ensures sustainable growth and reinforces Press Metal’s commitment to delivering value to stakeholders.

## Environment

### Climate Change and Sustainability Risks

Evolving climate conditions bring environmental and operational challenges, including shifting weather patterns, increased flooding, biodiversity loss, and disruptions across supply chains. Press Metal integrates climate change and sustainability risks into strategic planning, continuously assessing these risks to safeguard both ecosystems and communities.

Climate-related risks fall into two (2) categories — physical risks, such as extreme weather events that may impact operations, and transition risks driven by regulatory developments, including Malaysia’s NSRF, the EECA 2024 and the impending carbon tax in 2026. Market expectations and rising compliance costs further add to the complexities surrounding ESG standards and broader social considerations.

### Opportunities

- Identifying and adopting innovative products, services and business models that support businesses, communities and ecosystems in adapting to climate change while enhancing operational efficiency and driving cost savings.
- Fostering engagements in multi-stakeholder initiatives with regulators, industry peers and non-governmental organisations (“NGOs”) to advance effective climate change adaptation efforts.

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## Governance/ Reputational

### Corporate Governance and Ethical Practices Risks

Businesses are subject to various legal and compliance risks such as bribery, corruption and violations of human rights or employment laws. Inadequate governance practices, ineffective monitoring and insufficient contract management heighten exposure to these risks, potentially undermining corporate governance and ethical standards.

Failure to comply with stringent regulatory frameworks, including Section 17A of the Malaysian Anti-Corruption Commission Act 2009, MCCG 2021, Bursa Malaysia’s MMLR, CA 2016, and the amended Personal Data Protection Act (“PDPA”) 2024, may result in severe consequences such as financial penalties and the revocation of business licences. Given these risks, maintaining a robust governance and compliance framework with rigorous oversight is essential to mitigating potential breaches and ensuring adherence to evolving legal and regulatory requirements.

### Opportunities

- Embedding integrity, accountability and transparency by implementing robust corporate governance practices throughout the organisation.
- Protecting credibility and reputation through implementing sound and effective management systems.

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## Managing Our Risks and Opportunities Effectively



### Human Capital

#### Talent Acquisition and Retention Capabilities Risks

Effective human capital management is essential for business continuity, ensuring the retention of expertise and the smooth transfer of institutional knowledge. Without structured talent development and succession planning, organisations risk higher staff turnover, declining morale, and reduced productivity. It is crucial to invest in internal talent development and long-term retention strategies to mitigate over-reliance on external hires. Such over-reliance may disrupt strategic alignment and undermine workforce engagement.

#### Opportunities

- Enhancing business value by retaining high-performing employees, strengthening institutional knowledge and expertise.
- Reducing recruitment and onboarding costs while ensuring business continuity through the development of a strong internal leadership pipeline.

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### Occupational Health and Safety

#### Health and Safety at the Workplace Risks

The aluminium production industry carries considerable occupational health and safety risks, from working with high temperatures and heavy machinery to handling hazardous materials. Without effective management systems and strict adherence to the Occupational Safety and Health (Amendment) Act 2022 (“OSHA 2022”) and other relevant health and safety regulations, businesses risk workplace accidents, legal liabilities, rising insurance costs, and potential harm to their reputation.

#### Opportunities

- Continuously enhance workplace safety through the use of real-time monitoring tools, in meeting the targets of maintaining zero (0) fatalities and reducing the Lost Time Injury Frequency Rate (“LTIFR”).
- Enhance trust and efficiency by having a robust management system that fosters strict compliance with safety standards, supported by comprehensive training programmes and regular refresher courses for high-risk areas.
- Foster a proactive safety culture by educating employees and cultivating a mature approach to health and safety.

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### Regulatory/ Social

#### Modern Slavery Risks

Modern slavery, including forced labour, child labour, and other human rights abuses, remain a risk within global supply chains. It is imperative to recognise and mitigate these risks by upholding ethical business standards, complying with legal requirements, and safeguarding the well-being of stakeholders across our value chain. Inadequate management of such risks could result in serious consequences, including legal action, reputational harm, and a loss of stakeholder trust.

#### Opportunities

- Strengthening market competitiveness by upholding ethical social practices, attracting socially conscious customers and investors who align with our values.
- Facilitating strategic partnerships through strong governance and adherence to international labour standards.

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## Managing Our Risks and Opportunities Effectively



### Technology

#### Information Security Risks

As digital technologies become more integrated into operations, the risk of cyber threats and data breaches may arise, potentially disrupting business continuity that may lead to financial losses and reputation harm. The evolving regulatory landscape, including the newly amended PDPA in 2024, demands ongoing adaptation to maintain compliance. Inadequate cybersecurity awareness among employees increases the risk of human error, making the organisation more susceptible to cybercrime.

#### Opportunities

- Strengthening network security to safeguard business operations and prevent unauthorised access or data breaches.
- Enhancing resilience against cyber threats with robust cybersecurity measures to maintain stakeholder confidence.

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### Market

#### Supply Chain Security Risks

The aluminium industry operates within a vast and interconnected supply chain, making it susceptible to disruptions caused by geopolitical tensions, regulatory shifts, and market fluctuations. These challenges can result in rising raw material costs, delays in product distribution, and operational inefficiencies. In addition, there is increasing scrutiny on responsible sourcing, GHG emissions reduction efforts, and fair labour practices, requiring companies to ensure compliance across their supply networks.

Regulatory developments, such as the proposed EU's Corporate Sustainability Due Diligence Directive, increase the responsibility on businesses to address environmental and human rights risks within their supply chains. Companies that do not meet these expectations may face legal consequences, reputational damage, and financial strain. Without rigorous supplier assessments and due diligence, organisations risk exposure to unethical sourcing practices and sustainability concerns, potentially affecting stakeholder confidence and long-term business resilience.

#### Opportunities

- Ensuring supply chain resilience through risk assessments, identifying vulnerabilities, and implementing proactive measures such as diversifying suppliers and securing alternative sourcing options to minimise disruptions and cost volatility.
- Securing long-term raw material supply through strategic joint ventures, including establishing an alumina refinery in West Kalimantan, Indonesia, ensuring greater control over upstream operations and cost efficiency.
- Upholding customer satisfaction by maintaining consistent product quality, timely delivery, and adherence to stringent industry standards, reinforcing trust and long-term relationships.
- Promoting sustainable supply chain practices by working closely with suppliers to enhance their capabilities, support responsible sourcing, and align with global sustainability expectations.

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## Managing Our Risks and Opportunities Effectively



### Financial

#### Economic and Financial Risks

Financial and economic pressures can introduce uncertainty over profitability, cash flow, and long-term stability. Factors such as liquidity constraints, interest rate changes, and currency fluctuations have the potential to raise operational costs and impact borrowing expenses, influencing overall business performance.

#### Opportunities

- Maintaining a solid financial position and a positive credit rating through strategic cost management and prudent financial planning.
- Effectively managing financial risks by utilising commodity and forward forex contract hedging to mitigate exposure to price and currency fluctuations.

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### Investment

#### Progress Deviation and Financial Returns Risks

Investment risks can emerge when pursuing acquisitions or new ventures, where unforeseen changes in economic conditions, regulatory requirements, or social and governance factors can impact expected outcomes. These uncertainties could lead to operational setbacks or financial shortfalls, potentially undermining the overall success and stability of the investment.

#### Opportunities

- Investing in upstream and downstream segments to enhance supply chain resilience and efficiency.

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### Operational

#### Product Quality and Manufacturing Efficiency Risks

Issues in quality control or planning can result in defects, delays, and dissatisfied customers. Additionally, breakdowns in systems and technology may disrupt production, reducing efficiency and affecting overall productivity. Such challenges could weaken financial performance and undermine stakeholder confidence in the organisation's ability to maintain consistent standards.

#### Opportunities

- Investing in upstream and downstream segments to enhance supply chain resilience and efficiency.
- Ensuring operational continuity by maintaining standard operating procedures, while reinforcing data security and resilience through cloud-based system backups and off-site servers.

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## FUELLING GROWTH THROUGH OUR STRATEGIC PRIORITY AREAS

At Press Metal, our strategic priorities serve as a cornerstone for achieving our objectives, reinforcing business resilience, and advancing sustainability. These guiding principles provide a clear and deliberate pathway through the complexities of the business landscape, enabling effective resource allocation and robust risk management.

Embedded within our organisational ethos, these priorities foster alignment across all levels, establishing a cohesive framework for measuring performance and driving operational excellence. This collective focus strengthens our commitment to excellence, builds stakeholder trust, and drives the organisation toward sustained success in a dynamic business environment.



### Operational GHG Emission Efficiency



Prioritising structural abatement in technically and commercially feasible areas to reduce our operational GHG emissions, thereby mitigating climate change and minimising our environmental impact.

#### Aim

- Reducing our GHG emissions intensity from our 2020 baseline (Scope 1, 2, and 3) to achieve the following targets:
  - Short-term (by FYE2025) : Reduce GHG emissions intensity (Scope 1, 2, and 3) by 15%.
  - Mid-term (by FYE2030) : Reduce GHG emissions intensity (Scope 1, 2, and 3) by 30%.
  - Long-term (by FYE2050) : Achieve net-zero emissions.

#### Going Forward

- Promoting circular economy.
- Investing in energy-efficient technologies and renewable energy sources.
- Adopting process improvements to reduce energy consumption.
- Exploring carbon capture and utilisation projects.
- Continuous identification of GHG reduction opportunities through Research and Development (“R&D”).
- Established low-carbon aluminium brands, GEM™ and CYCAL™, that offer a sustainable alternative to industries in lowering their environmental impact of products without compromising on performance.
- Monitoring and reducing our Scope 3 GHG emissions through tracking and mitigating GHG emissions from transportation, manufacturing and other relevant activities.



### Supply Chain Continuity



Fostering robust supplier relationships and strengthening ESG awareness with our suppliers to build a more resilient supply chain.

#### Aim

- Implementing long-term agreements to secure access to key raw materials.
- Fostering relationships with suppliers who consistently rated with favourable results, evaluated based on factors including on-time delivery, quality, packaging, services and pricing.
- Maintaining a pool of suppliers that adhere to good practices, using a scoring system to assess ESG-related factors.

#### Going Forward

- Assess our suppliers’ capabilities periodically and invest in capacity-building initiatives.
- Conducting supply chain risk assessments to identify potential threats and implement mitigation measures to prevent disruptions.
- Leverage digital tools to streamline supplier oversight, fostering greater transparency and accountability within our supply chain to enhancing the efficiency and sustainability of our operations while promoting social and economic development in communities.
- Pursuing accreditation for responsible production and sourcing practices such as ASI Chain of Custody (“ChoC”) certification, reinforcing our commitment to sustainable business operations.

## Fuelling Growth Through Our Strategic Priority Areas



### Business Resiliency



Enhancing our operational activities through technological improvements and digital transformation to build business resilience and fortify financial performance.

#### Aim

- Increasing the contribution of VAPs and streamlining our business through business integration and enhanced extrusion performance.
- Scaling up our overall production capabilities by expanding our aggregated production capacity.
- Continuously improving our operational efficiencies through process optimisation and advanced technology adoption.
- Ensuring sufficient liquidity (i.e., cash and available credit facilities) to meet core funding needs, including growth requirements.

#### Going Forward

- Adopting an integrated business model to streamline operations, thereby controlling production costs.
- Adopting automation technologies in our manufacturing processes to enhance operational efficiency.
- Embracing circular economy practices and resource efficiency innovations while diversifying our revenue streams to create value for all stakeholders and make positive contributions to broader societal and environmental goals.
- Venturing into the upstream segment to strengthen raw material security, enhance supply chain efficiency, reduce transportation costs, and lower GHG emissions.



### Strategic Partnership



Forging strategic partnerships to leverage shared resources, expertise and market insights, thus fostering business continuity, growth and innovation.

#### Aim

- Securing continuity of raw material supplies for our production by expanding our network of strategic upstream business partners.
- Ensuring continuity in our business transactions and enhancing financial resiliency by broadening our market reach through new partnerships.

#### Going Forward

- Leveraging synergy with global strategic partners to explore opportunities for market and supply chain integration, enhancing supply chain resilience, cost-effectiveness and global market visibility.
- Penetrating emerging markets by developing tailored products and services to meet demand.

## Fuelling Growth Through Our Strategic Priority Areas



### Human Capital Enhancement



Sustaining the continuity of our operations through on-going capacity building programmes and enhancing the well-being of our employees.

#### Aim

- Maintaining zero (0) workplace fatalities through rigorous safety measures and trainings.
- Implementing stringent safety protocols to safeguard our employees' well-being.
- Enhancing talent management and succession planning to secure steady pipeline of future leaders.
- Assessing the impact of our training programmes by monitoring improvements in employee skills, competencies and performance.
- Enhancing employee health benefits through employee engagements.

#### Going Forward

- Strengthening health and safety controls by enhancing Process Safety Management, focusing on hazard identification, prevention, and mitigation to protect employees, assets, and the environment.
- Leveraging AI-driven Closed-Circuit Television ("CCTV") analytics to monitor compliance with safety protocols, detect potential hazards in real-time, and enhance incident prevention measures.
- Expanding employee wellness programmes to support overall well-being of employees.
- Strengthening talent management strategies through talent development programmes to build a resilient workforce and reduce employee turnover rate.
- Expanding leadership development programmes, technical upskilling initiatives, and structured career progression pathways to strengthen the talent pipeline and leadership continuity.
- Improving Employee Training Needs analysis and developing a Group-wide training masterplan to promote internal capacity building for both management and operations teams.
- Development of the Bintulu township to enhance employee living conditions, infrastructures and social services.



### Positive Societal Impact



Prioritising positive societal impacts that align with our commitment to CSR and sustainable business practices.

#### Aim

- Enhancing our contributions to the local communities to address their needs and improve their livelihoods.
- Increasing the proportion of expenditure allocated to local suppliers subject to the availability and quality of their products and services.

#### Going Forward

- Developing community programmes aligned with our focus areas, creating significant positive impacts in health, social welfare, education, culture and environment.
- Implementing continuous improvement to internal monitoring mechanisms to track community development contributions, ensuring consistent efforts across all entities.
- Engaging in strategic collaboration with government bodies to enrich educational programmes and elevate skill development to nurture skilled workforce.
- Prioritising the engagement of local suppliers for products and services to bolster regional economic growth.

# OUR VALUE CREATION MODEL

## OUR INPUTS

### F

- Total asset value: RM16.6 billion
- RM8.5 billion in shareholders' fund

### M

- Six (6) manufacturing plants

#### Production Capacity

- Smelting capacity  
1.08 million metric tonnes per annum
- Extrusion capacity  
230,000 metric tonnes per annum

### I

- RM106.6 million invested in sustainability efforts
- 15 SiPros implemented under our Sarawak Operations' Improvement Programme ("SOIP")\*
- RM7.7 million allocated for R&D with XJTU to develop a carbon capture model

\* SOIP is a platform for our employees to contribute solutions, categorised into SiPro (long-term initiatives) and iPro (smaller, standalone solutions), aimed at improving our manufacturing processes

### H

- 7,495-strong workforce
- Over RM2 million invested in training and development
- 6,825 employees trained on health and safety standards

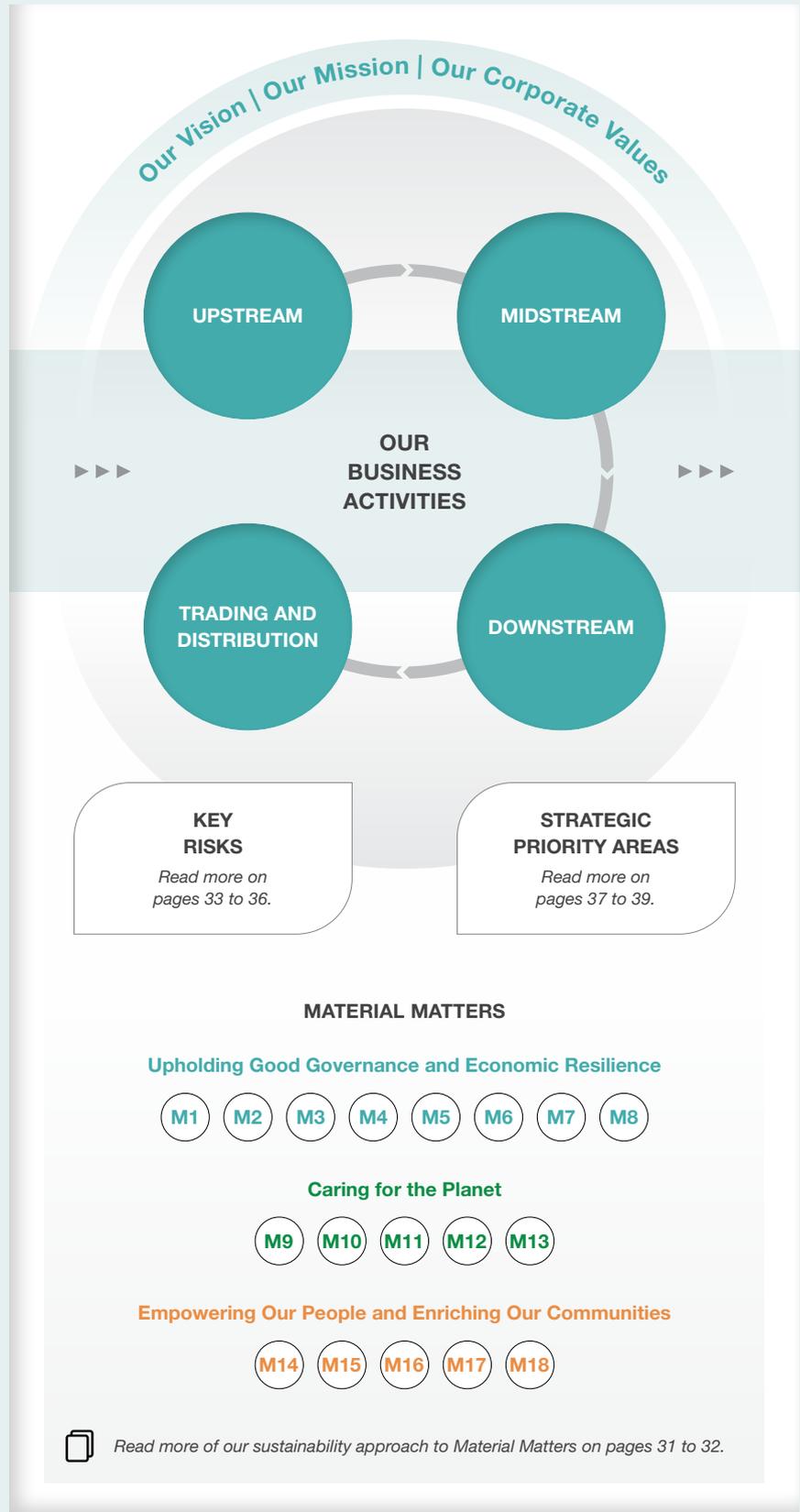
### N

- 52.8 million GJ of energy consumed
- 2.6 million m<sup>3</sup> of water consumed
- 21,165.7 GJ of solar energy generated
- 19,000 metric tonnes of aluminium scraps purchase

### SR

- RM7.8 million invested in community activities
- 133 community activities organised
- 925 volunteers and 2,901 hours contributed to community programmes
- RM250 million allocated for PMBtu township development

## OUR MANAGEMENT APPROACH



# Our Value Creation Model

## OUR OUTPUTS

## VALUE CREATED

## TRADE-OFFS AND INTERDEPENDENCIES

<p><b>F</b></p> <ul style="list-style-type: none"> <li>RM14.9 billion in revenue</li> <li>RM3.2 billion in EBITDA</li> </ul> 	<ul style="list-style-type: none"> <li>Generated Profit after Tax: RM2.1 billion</li> <li>Total Dividend Payout: RM576.8 million</li> <li>20.6% return on equity</li> </ul>	<p><b>Financial Capital</b></p> <p>Financial capital is crucial to our business ecosystem, generating value for stakeholders. We strategically invest in Manufactured, Intellectual, and Human Capital to enhance financial performance and ensure sustained value creation for the Group and our stakeholders.</p>
<p><b>M</b></p> <p><b>Main Aluminium Products</b></p> <ul style="list-style-type: none"> <li>High-grade primary aluminium ingots (P1020)</li> <li>Value-added aluminium products (i.e., billets, alloy billets, alloy ingots and EC-grade aluminium wire rods)</li> <li>Extrusion products</li> </ul>  	<ul style="list-style-type: none"> <li>Produced high-quality aluminium ingots conforming to the High-Grade Primary Aluminium Contract by LME</li> <li>Produced aluminium wire rods conforming to the specifications for Aluminium Electrical Conductor Grade Rods</li> <li>Continued production of low-carbon products through the utilisation of renewable power sources</li> <li>Integrated Management System Certification (ISO 9001, ISO 45001, ISO 50001 and ISO 14001) for our operational sites</li> </ul>	<p><b>Manufactured Capital</b></p> <p>Our Manufactured Capital, including tools, machines, plants, infrastructure, and buildings, drives our production output. We utilise Financial Capital and Human Capital to enhance development, improving operational efficiency, production capacity, product quality, and cost reduction.</p>
<p><b>I</b></p> <ul style="list-style-type: none"> <li>Four (4) extrusion products obtained SCS Global Recycled Content certifications, demonstrating a minimum of 80% and 98% pre-consumer and post-consumer recycled aluminium alloy content</li> <li>50 patents</li> <li>0 data breaches</li> </ul>   	<ul style="list-style-type: none"> <li>Developing the Smelter Operation Manufacturing Execution System ("MES"), of the digital transformation project, focusing on increasing data interconnectivity and smart automation</li> <li>Enhancement of manufacturing processes and production efficiencies</li> <li>Pursuit of various collaborations and strategic partnerships to improve R&amp;D efforts</li> <li>Advances innovation in carbon reduction and sustainability</li> <li>Introduction of our low-carbon aluminium brands, GEM™ and CYCAL™ which help customers meet their climate goals</li> </ul>	<p><b>Intellectual Capital</b></p> <p>Investing in our Intellectual Capital drives sustained innovation, boosts R&amp;D capabilities, and enables adaptation to market changes. This enhances production efficiency, strengthens our Manufactured Capital, and reduces environmental impact through innovative technologies, preserving our Natural Capital.</p>
<p><b>H</b></p> <ul style="list-style-type: none"> <li>50.5 training hours per employee on average</li> <li>84.0% local senior management hired</li> <li>33.6% female managerial representation Group-wide</li> <li>LTIFR recorded at 3.2</li> <li>102 career development programmes graduates</li> <li>0 human rights violations</li> <li>0 workplace fatalities</li> </ul>      	<ul style="list-style-type: none"> <li>Enhancement of workforce skills through training and development programmes</li> <li>Provision of a conducive working environment</li> <li>Continued to promote an inclusive employee culture that values diversity and equal opportunities</li> </ul>	<p><b>Human Capital</b></p> <p>Investing in our Human Capital to create an inclusive, productive, and sustainable workplace is crucial. Balancing investments in learning, development, and wellbeing enhances skills and productivity, leading to improved operational efficiencies.</p>
<p><b>N</b></p> <ul style="list-style-type: none"> <li>8.6 tCO<sub>2</sub>e/ tonne of aluminium produced recorded for GHG emissions intensity, 1.2% less than FYE2023</li> <li>2.5 m<sup>3</sup>/ tonne of aluminium produced recorded for water withdrawal intensity, 8.7% more than FYE2023</li> <li>Approximately 6,100 tCO<sub>2</sub>e in Scope 2 GHG emissions avoided due to solar energy usage</li> <li>Over 243,363 tonnes of waste diverted from disposal</li> <li>10.5% recycled aluminium intensity</li> </ul>      	<ul style="list-style-type: none"> <li>Efficient resource use across business activities, leveraging strategic partnerships to reduce product footprint</li> <li>Promotion of circular economy practices through comprehensive life cycle assessments and post-consumer scrap recycling</li> <li>Carbon footprint reduction through the adoption of automation and digitalisation technologies, such as pot controller upgrade</li> </ul>	<p><b>Natural Capital</b></p> <p>Promoting sustainable practices in our supply chain is essential for our decarbonisation journey. We invest in eco-friendly materials, energy-efficient technologies, and renewables to minimise our carbon footprint and preserve Natural Capital.</p>
<p><b>SR</b></p> <ul style="list-style-type: none"> <li>Community activities benefitting approximately 1,900 beneficiaries</li> <li>82.6% and 84.7% customer satisfaction rates received at our midstream and downstream operations respectively</li> <li>90 volunteer activities participated by our employees</li> <li>51.8% of total procurement expenditure spent on local suppliers</li> <li>6 suppliers benefited from ESG capacity building training</li> </ul>          	<ul style="list-style-type: none"> <li>Increased job opportunities for local communities through youth development programmes and collaboration with local universities</li> <li>Continued efforts on Supplier Management Programme to fortify supply chain resilience</li> <li>Organised community-oriented programmes aimed at creating positive and sustained impacts on the well-being of surrounding communities</li> </ul>	<p><b>Social and Relationship Capital</b></p> <p>Building stakeholder relationships and investing in Social and Relationship Capital drive our corporate responsibility and sustainability efforts. Through community programmes, and by leveraging Human and Financial Capital, we create both direct and indirect economic value to the stakeholders in areas where we operate in.</p>

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Datuk Yvonne Chia**  
(Yau Ah Lan @ Fara Yvonne)  
Independent Non-Executive Chairman

**Datuk Koon Poh Ming**  
Executive Vice Chairman

**Tan Sri Dato' Koon Poh Keong**  
Group Chief Executive Officer

**Dato' Koon Poh Tat**  
Executive Director

**Koon Poh Weng**  
Executive Director

**Datuk Koon Poh Kong**  
Executive Director

**Noor Alina Binti Mohamad Faiz**  
Independent Non-Executive Director

**Lim Hun Soon @ David Lim**  
Independent Non-Executive Director

**Susan Yuen Su Min**  
Independent Non-Executive Director

**Chong Kin Leong**  
Independent Non-Executive Director

**John Koon Tzer Lim**  
Alternate Director to Datuk Koon Poh Ming

### AUDIT COMMITTEE

**Chairman**  
Lim Hun Soon @ David Lim

**Members**  
Noor Alina Binti Mohamad Faiz  
Susan Yuen Su Min  
Chong Kin Leong

### NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

**Chairman**  
Susan Yuen Su Min

**Members**  
Noor Alina Binti Mohamad Faiz  
Lim Hun Soon @ David Lim  
Chong Kin Leong

### REMUNERATION COMMITTEE

**Chairman**  
Noor Alina Binti Mohamad Faiz

**Members**  
Lim Hun Soon @ David Lim  
Susan Yuen Su Min

### RISK MANAGEMENT COMMITTEE

**Chairman**  
Chong Kin Leong

**Members**  
Datuk Koon Poh Ming  
Lim Hun Soon @ David Lim  
Susan Yuen Su Min

## Corporate Information

**CORPORATE OFFICE**

Suite 61 & 62, Setia Avenue  
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 Setia Alam Seksyen U13  
 40170 Shah Alam  
 Selangor Darul Ehsan, Malaysia  
 Tel : +603 - 3362 2188  
 Fax : +603 - 3362 2000  
 Website : www.pressmetal.com

**REGISTERED OFFICE**

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 No. 5, Jalan Prof. Khoo Kay Kim  
 Seksyen 13, 46200 Petaling Jaya  
 Selangor Darul Ehsan, Malaysia  
 Tel : +603 - 7890 4800  
 Fax : +603 - 7890 4650  
 Email : boardroom-kl@boardroomlimited.com

**SHARE REGISTRAR**

Tricor Investor & Issuing House Services Sdn Bhd  
 Unit 32-01, Level 32, Tower A  
 Vertical Business Suite  
 Avenue 3, Bangsar South  
 No. 8, Jalan Kerinchi  
 59200 Kuala Lumpur  
 Wilayah Persekutuan, Malaysia  
 Tel : +603 - 2783 9299  
 Fax : +603 - 2783 9222  
 Email : is.enquiry@vistra.com

**STOCK EXCHANGE LISTING**

Main Market of Bursa Malaysia Securities Berhad

**AUDITORS****KPMG PLT**

Firm No. LLP0010081-LCA & AF 0758  
 (Chartered Accountants)  
 Level 10, KPMG Tower  
 8 First Avenue, Bandar Utama  
 47800 Petaling Jaya  
 Selangor Darul Ehsan, Malaysia  
 Tel : +603 - 7721 3388  
 Fax : +603 - 7721 3399

**COMPANY SECRETARIES**

**Tai Yit Chan** (MAICSA 7009143)  
 (SSM PC No. 202008001023)

**Tan Ai Ning** (MAICSA 7015852)  
 (SSM PC No. 202008000067)

**PRINCIPAL BANKERS**

- Alliance Bank Malaysia Berhad
- AmBank (M) Berhad/ AmIslamic Bank Berhad
- Hong Leong Bank Berhad/ Hong Leong Islamic Bank Berhad
- HSBC Amanah Malaysia Berhad
- Malayan Banking Berhad/ Maybank Islamic Bank Berhad
- OCBC Al-Amin Berhad
- Sumitomo Mitsui Banking Corporation Malaysia Berhad
- United Overseas Bank (Malaysia) Berhad

## PROFILE OF OUR BOARD OF DIRECTORS



**Datuk Yvonne Chia P.M.W. (Yau Ah Lan @ Fara Yvonne)**  
Independent Non-Executive Chairman

Nationality: **Malaysian**      Board Meeting Attendance: **6/6**  
Gender: **Female**              Board Committee: **NIL**  
Age: **73**

Datuk Yvonne Chia is the Independent Non-Executive Chairman of the Company. She was first appointed to the Board of the Company on 27 May 2021 as an Independent Non-Executive Director and was re-designated to her current position on 2 August 2021.

She has over 40 years' experience in the financial services industry, having held leadership positions in both foreign and local institutions. A Fellow Chartered Banker ("FCB"), she holds a Bachelor of Economics (Hons) from the University of Malaya. She began her career at Bank of America, where she held various roles in Malaysia and across the Asia region. She later served as the Group Managing Director and Chief Executive Officer of RHB Banking Group from 1996 to 2002 and Hong Leong Banking Group from 2003 to 2013.

Currently, she is the Independent Non-Executive Chairman of Standard Chartered Bank Malaysia Berhad and Standard Chartered Saadiq Berhad.

Her various board experience spans the government, private, and foundation sectors, where she has contributed to governance, strategic direction, growth and value creation.

A passionate advocate of lifelong learning, education and leadership development, she serves as a Council Member of the Asian Institute of Chartered Bankers and Project Mentor for the Future Skills Framework for the Financial Services Sector. She is also a Trustee for Teach For Malaysia Foundation, an Honorary Professor at the University of Nottingham School of Economics, and a member of the Chartered Institute of Islamic Finance Professionals.

She has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has no family relationship with any Director and/ or major shareholder of the Group. She has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.



**Datuk Koon Poh Ming**  
Executive Vice Chairman

Nationality: **Malaysian**      Board Meeting Attendance: **6/6**  
Gender: **Male**                  Board Committee:  
Age: **69**                              **RMC**

Datuk Koon Poh Ming is a founding Board member of Press Metal Berhad ("PMB") since its inception on 13 May 1986. He was appointed to the Board on 4 July 2017 as an Executive Vice Chairman; ahead of the Company's assumption of the listing status of PMB pursuant to the internal reorganisation on 10 July 2017. Presently, he is a member of the Risk Management Committee of the Company.

After graduating with a Degree in Civil Engineering from the University of Wales in United Kingdom, he started his career with an international consulting engineering firm based in Kuala Lumpur. He is currently a professional engineer registered with the Board of Engineers and The Institution of Engineers, Malaysia.

Datuk Koon Poh Ming has been actively involved in the management and business development of the Group. Currently, he also holds the position of Chief Executive Officer of PMB Technology Berhad.

He is the brother to Tan Sri Dato' Koon Poh Keong, Datuk Koon Poh Kong, Koon Poh Weng and Dato' Koon Poh Tat. He is also father to John Koon Tzer Lim. Save as disclosed, he has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.

## Profile of Our Board of Directors



**Tan Sri Dato' Koon Poh Keong**  
Group Chief Executive Officer

Nationality: **Malaysian**      Board Meeting Attendance: **6/6**  
 Gender: **Male**                      Board Committee: **NIL**  
 Age: **64**

Tan Sri Dato' Koon Poh Keong is one of the founding members of PMB since its inception on 13 May 1986. He has been the Group Chief Executive Officer since 1993. He has been instrumental in growing the Group into the largest integrated aluminium producer in Southeast Asia.

Tan Sri Dato' Koon Poh Keong was appointed as the Group Chief Executive Officer of the Company on 4 July 2017; ahead of the Company's assumption of the listing status of PMB pursuant to the internal reorganisation on 10 July 2017.

Tan Sri Dato' Koon Poh Keong graduated with a Bachelor of Science degree in Electrical Engineering from The University of Oklahoma, United States of America, in 1986. He has more than 30 years of experience in the aluminium industry. Currently, he also acts as the Executive Chairman of PMB Technology Berhad.

He is the brother to Datuk Koon Poh Ming, Datuk Koon Poh Kong, Koon Poh Weng and Dato' Koon Poh Tat. He is also the uncle to John Koon Tzer Lim. Save as disclosed, he has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.



**Dato' Koon Poh Tat**  
Executive Director

Nationality: **Malaysian**      Board Meeting Attendance: **6/6**  
 Gender: **Male**                      Board Committee: **NIL**  
 Age: **66**

Dato' Koon Poh Tat was first appointed to the Board of PMB on 7 June 1999. He is a co-founder of PMB and has been actively involved in PMB's operations including forming up new business outlets both domestic and overseas to enlarge PMB's network and market share. His hard work and dedication have led the Group to be the pioneer in the aluminium industry.

Dato' Koon Poh Tat was appointed as the Executive Director of the Company on 4 July 2017; ahead of the Company's assumption of the listing status of PMB pursuant to the internal reorganisation on 10 July 2017.

He is currently the Executive Director of PMB Technology Berhad.

He is the brother to Datuk Koon Poh Ming, Tan Sri Dato' Koon Poh Keong, Datuk Koon Poh Kong and Koon Poh Weng. He is also the uncle to John Koon Tzer Lim. Save as disclosed, he has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.

### Board Committees

<b>AC</b> Audit Committee	<b>NCGC</b> Nomination and Corporate Governance Committee	 Chairman
<b>RC</b> Remuneration Committee	<b>RMC</b> Risk Management Committee	 Member

## Profile of Our Board of Directors



**Koon Poh Weng**  
Executive Director

Nationality: **Malaysian**      Board Meeting Attendance: **6/6**  
Gender: **Male**                      Board Committee: **NIL**  
Age: **70**

Mr. Koon Poh Weng was a Board member of PMB since 13 May 1986. Being a key founder of PMB, Mr. Koon Poh Weng was pivotal to the Group's aluminium façade and curtain wall business.

Mr. Koon Poh Weng was appointed as the Executive Director of the Company on 4 July 2017; ahead of the Company's assumption of the listing status of PMB pursuant to the internal reorganisation on 10 July 2017.

Mr. Koon Poh Weng has been widely involved in the design, engineering and development of cost-effective, innovative and versatile system solutions for both local and international projects. He continually strives on the changing and creative ideas to meet the complex and advanced technical skills to all aspects of aluminium and glazing industry.

Currently, Mr. Koon Poh Weng is also an Executive Director of PMB Technology Berhad.

He is the brother to Datuk Koon Poh Ming, Tan Sri Dato' Koon Poh Keong, Datuk Koon Poh Kong and Dato' Koon Poh Tat. He is also the uncle to John Koon Tzer Lim. Save as disclosed, he has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.



**Datuk Koon Poh Kong**  
Executive Director

Nationality: **Malaysian**      Board Meeting Attendance: **6/6**  
Gender: **Male**                      Board Committee: **NIL**  
Age: **72**

Datuk Koon Poh Kong was a Board member of PMB since 13 May 1986. As a key founder of PMB, Datuk Koon Poh Kong has been responsible for managing various prominent projects involving aluminium applications. His expertise and knowledge in business development and aluminium applications are instrumental to the growth and development of the Group.

Datuk Koon Poh Kong was appointed as the Executive Director of the Company on 4 July 2017; ahead of the Company's assumption of the listing status of PMB pursuant to the internal reorganisation on 10 July 2017.

Other than the Company, Datuk Koon Poh Kong does not hold directorship in any other public companies and listed issuers.

He is the brother to Datuk Koon Poh Ming, Tan Sri Dato' Koon Poh Keong, Koon Poh Weng and Dato' Koon Poh Tat. He is also the uncle to John Koon Tzer Lim. Save as disclosed, he has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.

## Profile of Our Board of Directors



Mr. Lim Hun Soon @ David Lim was appointed to the Board on 15 August 2018. He is the Chairman of the Audit Committee and also serves as a member of the Nomination and Corporate Governance Committee, Remuneration Committee and Risk Management Committee of the Company.

Mr. David Lim is a Member of the Chartered Institute of Taxation, United Kingdom; a professional member of The Institute of Chartered Accountants in England and Wales (“ICAEW”); a member of the Malaysian Institute of Accountants (“MIA”); and a member of Malaysian Institute of Certified Public Accountants (“MICPA”). He graduated with a Bachelor of Arts in Economics from the University of Leeds in 1978 and started his professional career in Peat Marwick Mitchell (now known as KPMG) in the United Kingdom. He returned to Malaysia in 1982 to continue his service with KPMG.

Mr. David Lim had an extensive career serving as an Auditor at KPMG for 33 years. During his tenure with KPMG, he was admitted as Partner of the Firm in 1990 and served in the Management Committee of the Firm from 1997 to 2001 as well as KPMG’s Partnership Supervisory Council from 2002 to 2010. He was also the Asian Anchor Practice representative for Marketing from 2000 to 2001, during which he gained extensive and insightful knowledge from KPMG Global counterparts worldwide.

In May 2006, he was tasked to start up the Audit Committee Institute, Malaysia, which was a virtual worldwide initiative sponsored by KPMG to assist Independent Non-Executive Directors in enhancing their awareness and ability to implement effective board processes.

Mr. David Lim actively served as an examiner for Company Law examinations conducted by the MICPA for a period of over 10 years. He was also the Chairman of the MICPA Code of Ethics Committee and a member of the MIA Code of Ethics Committee from 2002 to 2004. He developed expertise from undertaking the role of Reporting Accountants in initial public offerings (“IPOs”) and was the audit partner in charge of over 30 IPOs while at KPMG. He retired from KPMG in 2011.

In 2013, he was appointed as a Council member of ICAEW. This appointment marked the first time that ICAEW, in its illustrious history, had granted Malaysia a seat on the Council. He held the position for a two-year term until 2015, and was reappointed for two additional terms, serving until March 2019, which is the maximum tenure permitted.

Mr. David Lim serves on the Board of several public listed companies, including Kawan Food Berhad as Chairman and Non-Independent Non-Executive Director, and Malaysian Rating Corporation Berhad as an Independent Non-Executive Director, having been recently appointed in March 2025. He is also the Independent Non-Executive Chairman of TSA Group Berhad. Additionally, he holds directorships in Public Investment Bank Berhad and Rockwills Trustee Berhad where he serves as the Independent Non-Executive Chairman.

He has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has no family relationship with any Director and/ or major shareholder of the Group. He has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.

## Profile of Our Board of Directors



**Noor Alina Binti Mohamad Faiz**  
Independent Non-Executive Director

Nationality: **Malaysian**      Board Meeting Attendance: **6/6**  
Gender: **Female**              Board Committee:  
Age: **51**                              **RC**   **AC**   **NCGC**

Puan Noor Alina was appointed as an Independent Non-Executive Director of PMB on 18 October 2016. She was appointed to the Board on 4 July 2017; ahead of the Company's assumption of the listing status of PMB pursuant to the internal reorganisation on 10 July 2017. She resigned as an Independent Non-Executive Director of PMB on 19 September 2017. She is the Chairman of the Remuneration Committee and also serves as a member of the Audit Committee and Nomination and Corporate Governance Committee of the Company.

Puan Noor Alina is a lawyer by profession and read law at the University of Leicester, United Kingdom. She is a member of the Middle Temple and was called to the Bar of England and Wales in 1998. Upon being called to the Malaysian Bar in 1999, she began her legal career with Messrs Lee, Perara & Tan, specialising mainly in Corporate Law. She left the firm in 2009 and worked as in-house counsel between 2010 and 2015, where she was the Legal & Secretarial Group General Manager for a public listed company and subsequently Head of Department of the legal and secretarial department of a large non-public listed company. In 2016, she provided legal and secretarial consultancy services for various companies before resuming practise in 2017 as the sole proprietor of the Chambers of Noor Alina Faiz. In 2021, she returned to Messrs Lee, Perara & Tan as a Partner.

Puan Noor Alina also acts as an Independent Non-Executive Director for several public listed companies, namely PMB Technology Berhad, Unisem (M) Berhad and Kawan Food Berhad.

She has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has no family relationship with any Director and/ or major shareholder of the Group. She has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.



**Susan Yuen Su Min**  
Independent Non-Executive Director

Nationality: **Malaysian**      Board Meeting Attendance: **6/6**  
Gender: **Female**              Board Committee:  
Age: **66**                              **NCGC**   **AC**   **RC**   **RMC**

Ms. Susan Yuen Su Min was appointed to the Board on 1 July 2020. She is the Chairman of the Nomination and Corporate Governance Committee, and also serves as a member of the Audit Committee, Risk Management Committee and Remuneration Committee of the Company.

Ms. Susan graduated with a Bachelor Hons (Upper Second) Computer Science from University of London. She has over 30 years of working experience in the banking industry and has served several banking establishments including Maybank and HSBC Malaysia. She was also previously attached to the National Bank of Abu Dhabi Malaysia Berhad ("NBAD") where she was the Regional CEO Asia and Country CEO Malaysia from 2014-2018. Prior to joining NBAD, she served as CEO of ANZ Banking Group in Hong Kong from 2009-2014.

She sits on the Board of several public listed companies, namely Alliance Bank Malaysia Berhad and Batu Kawan Bhd as an Independent Non-Executive Director. She also holds directorship in Chubb Insurance Malaysia Berhad.

She has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has no family relationship with any Director and/ or major shareholder of the Group. She has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.

## Profile of Our Board of Directors



**Chong Kin Leong**  
Independent Non-Executive Director

Nationality: **Malaysian**      Board Meeting Attendance: **6/6**  
 Gender: **Male**      Board Committee:  
 Age: **67**      **RMC** **AC** **NCGC**

Mr. Chong Kin Leong was appointed to the Board on 1 October 2021. He is the Chairman of the Risk Management Committee, and also serves as a member of the Audit Committee and Nomination and Corporate Governance Committee of the Company.

Mr. Chong graduated with a Bachelor of Accounting (Hons) from the University of Malaya. He is a member of the MIA and a member of the MICPA. He has more than 40 years of experience in all aspects of financial and business management in the corporate sector, financial institutions and auditing. He started work with Peat Marwick Mitchell & Co. (now known as KPMG) in 1981. Mr. Chong joined Sime Darby Berhad in 1985 where he held various roles in the corporate head office and subsidiaries involved in manufacturing and marketing and plantations. Thereafter, he joined Rashid Hussain Berhad in 1993 and was promoted to Finance Director in 1995. In May 2003, he joined Genting Berhad as Executive Vice President - Finance/ Chief Financial Officer until his retirement in December 2018.

Mr. Chong also holds directorships in AIA PUBLIC Takaful Bhd, AIA General Berhad, Cagamas Holdings Berhad, Deutsche Bank (Malaysia) Berhad and The Community Chest.

He has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has no family relationship with any Director and/ or major shareholder of the Group. He has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.



**John Koon Tzer Lim**  
Alternate Director to Datuk Koon Poh Ming

Nationality: **Malaysian**      Board Meeting Attendance: **6/6**  
 Gender: **Male**      Board Committee: **NIL**  
 Age: **29**

Mr. John Koon is the Manager of the Risk Management department of the Company. He leads the Risk Management team and ensures the Group's Risk Framework is aligned with ISO31000 practices. He effectively manages and mentors a team of Risk Management personnel, providing guidance and support tailored to the operating nature and culture of the Group. He was appointed as Alternate Director to Datuk Koon Poh Ming on 15 June 2023.

Mr. John Koon graduated with a Bachelor of Actuarial Mathematics (Hons) from the University of Leeds, United Kingdom and qualified as an Enterprise Risk Manager by the Institute of Enterprise Risk Practitioners.

Prior to joining the Risk Management department, Mr. John Koon worked as the Insurance Liaison Executive for the Group, overseeing its insurance programmes and negotiating better terms with insurers. He actively participated in risk surveys and coordinated the implementation of recommended mitigation actions.

Other than the Company, Mr. John Koon does not hold directorship in any other public companies and listed issuers.

Mr. John Koon is the son of Datuk Koon Poh Ming, nephew to Tan Sri Dato' Koon Poh Keong, Dato' Koon Poh Tat, Datuk Koon Poh Kong and Koon Poh Weng. Save as disclosed, he has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.

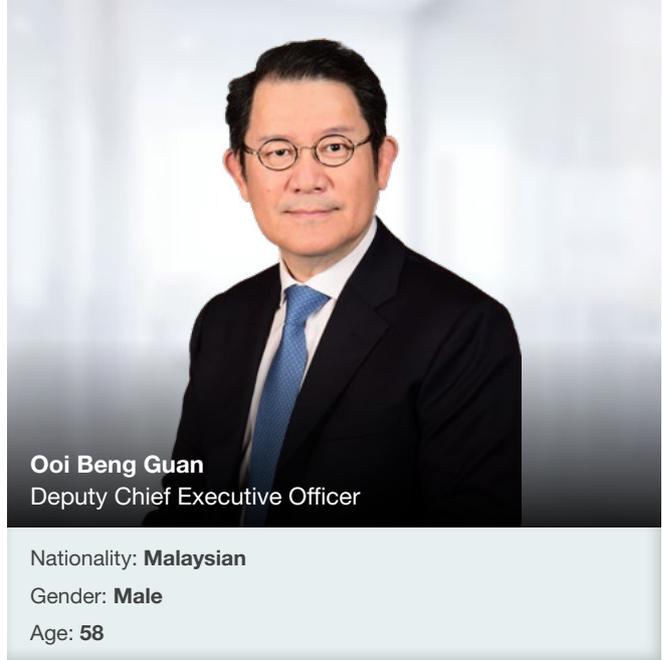
## PROFILE OF OUR KEY SENIOR MANAGEMENT, KEY OPERATING MANAGEMENT AND COUNTRY HEADS

(Profiles of Key Senior Management i.e., the Executive Vice Chairman, Group Chief Executive Officer and Executive Directors are listed under Profile of Our Board of Directors on pages 44 to 46.)



Mr. Choa Wei Keong joined Press Metal in 2009 and assumed the role of Group General Manager of Smelting Division between 2018 and 2023. Mr. Choa was appointed as Deputy CEO in January 2024, overseeing the Group's upstream business units and investment portfolios. He holds a Master's degree in Business Administration from University of Nottingham and a Bachelor of Science Degree (Hons.) in Business Administration (Marketing) from University of Wales.

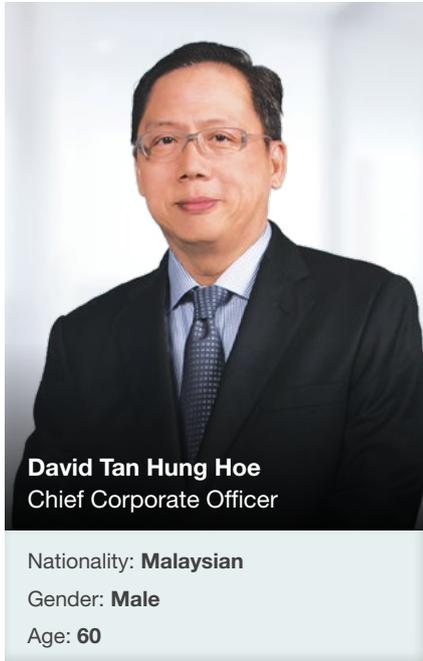
Mr. Choa started his career with the banking industry, specialising in trade financing and credit management. He was the Vice President of Group Special Asset Management of a Singapore bank prior to joining Press Metal.



Mr. Ooi Beng Guan joined Press Metal as Deputy CEO in January 2024, overseeing the strategic development and operations of the Group's midstream business units, including corporate functions. He holds a Bachelor of Science Degree in Chemistry (Hons.) from the University Pertanian Malaysia.

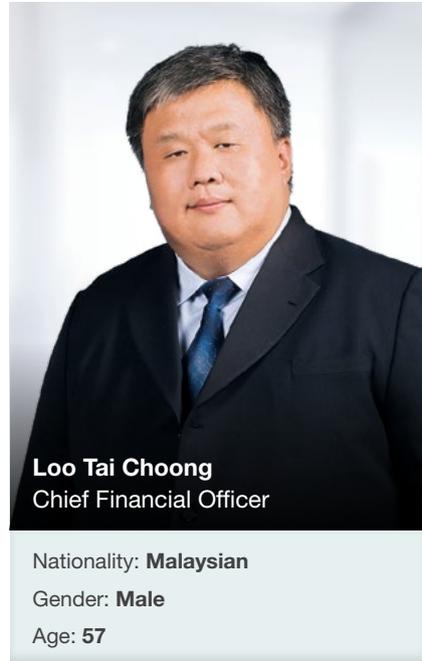
Mr. Ooi brings with him 27 years of industry experience, with 18 years in senior management positions based in Hong Kong and Japan. Prior to joining Press Metal, Mr. Ooi served as Vice President for a leading global chemical company. Apart from being responsible for the financial performance of the business unit in Asia Pacific, his previous roles included business development, operation and investment, and serving as President of the affiliate company in Japan. Additionally, he has served as Chairman of the Board and as a Board member for the joint-venture companies in the region.

## Profile of Our Key Senior Management, Key Operating Management and Country Heads



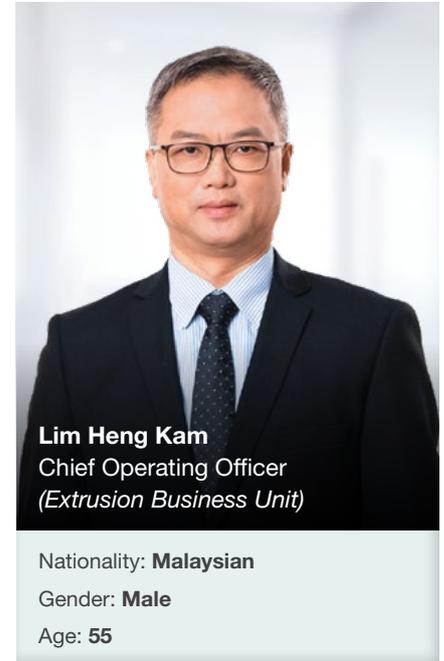
Mr. David Tan Hung Hoe joined Press Metal as the Head of Corporate Affairs in 2007 and was appointed as the Chief Corporate Officer in January 2024. He holds a Master's degree in Business Administration from University of Georgia and a Bachelor of Science Degree (Banking & Finance) from University of Arkansas.

Mr. David Tan started his career as corporate finance analyst and advisor both locally and overseas. Prior to joining Press Metal, he was the Corporate Affairs General Manager of a public listed company, overseeing various corporate developments and expansions.



Mr. Loo Tai Choong joined Press Metal in 2001 and was promoted to the position of Group Financial Controller in 2002. He was appointed as the Chief Financial Officer in January 2024. He is a qualified Chartered Accountant and a member of the Malaysian Institute of Certified Public Accountants.

Mr. Loo started his career as an auditor, involved in a wide range of audit and tax consultation, as well as corporate investigation works, specialising particularly in manufacturing, banking and insurance industries. Prior to joining Press Metal, he was the Finance Manager of a local banking group.



Mr. Lim Heng Kam joined Press Metal in 2003 and was promoted to Manufacturing Director of PMI in 2006. He was later appointed as a Director of PMI in 2011. In 2020, Mr. Lim was appointed Chief Operating Officer of the Extrusion Business Unit (PMI Group), where he oversees both local and overseas extrusion operations, as well as strategic development. Mr. Lim holds a Master of Science Degree in Manufacturing System Engineering from Warwick University.

With extensive industry experience, Mr. Lim is known for his practical approach to manufacturing, driving operational excellence through process optimisation, productivity improvement, and lean implementation. Prior to joining Press Metal, Mr. Lim served as a Production Engineer at a local aluminium company.

**Note:**

Save as disclosed, all Key Senior Management and Key Operating Management members have no family relationship with any director and/ or major shareholder of the Company, have no conflict of interest or potential conflict of interest, including any interest in any competing business with Press Metal, have not been convicted of any offences (other than traffic offence, if any) within the past five years and have not been imposed any penalty by the relevant regulatory bodies during the FYE2024.

## Profile of Our Key Senior Management, Key Operating Management and Country Heads



### AUSTRALIA



**Paul Ingram**  
Managing Director  
*Press Metal Aluminium (Australia)  
Pty. Ltd.*

Nationality: **Australian**  
Gender: **Male**  
Age: **57**

Mr. Paul Ingram joined Press Metal Aluminium (Australia) Pty. Ltd. as the Managing Director in 2014. He holds a High School Certificate from Saint Ignatius College Riverview.

Mr. Ingram has more than 30 years of experience in the aluminium industry. Prior to joining Press Metal, he was the owner and director of a long-established aluminium fabrication company in Australia.



### UNITED KINGDOM



**Andrew Clarke**  
Operations Director  
*Press Metal UK Limited*

Nationality: **British**  
Gender: **Male**  
Age: **55**

Mr. Andrew Clarke joined Press Metal UK Limited as the General Manager in 2006 and was promoted as Operations Director in 2022. He was trained at Birmingham University, School of Architecture, and is a fully trained registered Architect.

Prior to joining Press Metal, Mr. Clarke held various positions within blue chip logistics companies including freight forwarding.



### NORTH AMERICA



**Keith Burlingame**  
Director  
*Press Metal North America Inc.*

Nationality: **American**  
Gender: **Male**  
Age: **67**

Mr. Keith Burlingame joined Press Metal North America Inc. as a director in 2009. He holds a Bachelor of Science degree in Economics from University of Illinois.

Mr. Burlingame has over 40 years of experience in the aluminium industry during which he has led large sales and marketing organisations. His experience includes key account and sales team management, manufacturing operations as well as business planning and development. He has worked with various industry groups throughout his career, including The Aluminium Association, The Aluminium Extruders Council, Truck Trailer Manufacturers Association.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Press Metal Aluminium Holdings Berhad recognises the importance of conducting good corporate governance and constantly strives to ensure that good corporate governance practices are carried out throughout the Group as it is fundamental in fulfilling its responsibilities, which include protecting and enhancing shareholders' value as well as the financial performance of the Company.

This Corporate Governance Overview Statement ("CGOS") provides a summary of the Company's corporate governance practices during the FYE2024 with reference to the following three (3) principles set out in the MCCG 2021:



This CGOS is prepared pursuant to Paragraph 15.25 (1) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, with guidance being drawn from Practice Note 9 of the MMLR and the Corporate Governance Guide (4<sup>th</sup> Edition) issued by Bursa Securities.

This CGOS is to be read together with the Corporate Governance Report 2024 ("CG Report 2024") of the Company which is available on the Bursa Securities website and the Company's website at [www.pressmetal.com](http://www.pressmetal.com) under "Shareholders Meeting" section. The CG Report 2024 provides detailed explanations of the Company's application of the practices as set out in the MCCG 2021 during the financial year under review.

Press Metal is a Large Company (defined as listed on FTSE Bursa Malaysia Top 100 Index or market capitalisation of RM2 billion and above) for FYE2024. The Board is committed to ensure high standards of governance are practised wherein the Company has adopted and complied substantially with the practices of MCCG 2021.

### CORPORATE GOVERNANCE APPROACH

The Board is committed to ensure that the Group is upholding sound corporate governance and promotes ethical standards in the Group. Over the course of almost four (4) decades since the Group's inception, good corporate governance practices have been steadily embedded in its lexicon with the understanding that a sound corporate governance framework is essential to form the bedrock of responsible and responsive decision making.

The Group's overall approach to corporate governance is to:

- Promote sustainability as ESG issues become material to the ability of the Group to create sustainable value and uphold the confidence of stakeholders;
- Promote individual accountability, particularly at the leadership level (i.e., Board and Senior Management) as they represent the core and conscience of the Group;
- Drive the application of good governance practices in tandem with the value creation process of the Group;
- Demonstrate openness and accountability in the way the Group conducts its business and engages with and reports to stakeholders;
- Enhance oversight on risk management of the Group;
- Embed organisation-wide anti-bribery culture and awareness amongst staff and relevant stakeholders such as business partners; and
- Interweave governance, economic, environment and social considerations into its business operation in line of becoming economic resilient, sustainable and responsible corporate citizen.

The Board regularly reviews the Group's corporate governance practices and procedures to ensure they reflect market dynamics, the evolving expectations of stakeholders and best practices whilst simultaneously addressing the needs of the Group.

## Corporate Governance Overview Statement

### CORPORATE GOVERNANCE APPROACH (CONT'D)

In its effort to achieve its corporate governance aspirations, the Group has benchmarked its practices against the relevant promulgations and best practices.

A summary of the Group's corporate governance practices with reference to the MCCG 2021 is described below.

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### I. Board Responsibilities

##### Board Roles and Responsibilities

The Board is primarily responsible for reviewing the Group's strategic plan, adequacy of internal control and risk management systems in place, promoting good corporate governance culture and the governance of sustainability within the Group, whilst overseeing the conduct and performance of the Group's business and management team in the pursuit of the long-term success of the Group and deliver sustainable value to its stakeholders.

The Directors are aware of their responsibility to make decisions objectively to achieve the success of the Group, with the best interest of the stakeholders in mind. In discharging its responsibilities, the Board is guided by the Board Charter that sets out, amongst others, its composition, roles and responsibilities, powers, Board Committees and Board meeting procedures. The Board Charter was last reviewed and adopted by the Board in August 2023 and is available on the Company's website at [www.pressmetal.com](http://www.pressmetal.com).

The roles and responsibilities of the Board, which are delineated in the Board Charter include, but are not limited to the following:

- (a) Reviewing and approving of corporate strategies and plans of the Group and monitoring the implementation of strategies by Management;
- (b) Overseeing and monitoring the conduct and performance management of the business of the Group;
- (c) Identifying principal risks faced by the Group and ensure the implementation of appropriate internal controls and systems to monitor and manage these risks;
- (d) Ensuring the integrity of the financial and non-financial reporting of the Group;
- (e) Maintaining an effective stakeholders' communication strategy;
- (f) Implement succession planning for business and functional continuity;
- (g) Reviewing the adequacy and integrity of internal control systems and management information systems, including systems for ensuring compliance with applicable laws, regulations, rules, directives and guidelines; and
- (h) Establishing a corporate culture which engenders ethical conduct and behaviour.

The formal schedule of matters which specifically require the Board's approval or guidance are those involving:

- (a) Conflict of interest issues relating to a substantial shareholder or a Director including approving related party transactions;
- (b) Corporate strategy and yearly budget;
- (c) Limits of authority, treasury policies, risk management policies and key human resource issues;
- (d) Material acquisition and disposal of assets/ investments not in the ordinary course of business, including material financial/ funding arrangements and significant capital expenditure; and
- (e) Strategic investments, mergers and acquisitions and corporate exercises.

## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### I. Board Responsibilities (cont'd)

##### **Board Roles and Responsibilities (cont'd)**

The Board delegates the day-to-day management of the Group to the Group Chief Executive Officer (“Group CEO”), Executive Directors and Management but reserves for its consideration pertinent significant matters. In discharging its stewardship role effectively, the Board delegates certain responsibilities to the following Board Committees and Management Committees:

##### Board Committees

- (a) Audit Committee (“AC”)
- (b) Nomination and Corporate Governance Committee (“NCGC”)
- (c) Remuneration Committee (“RC”)
- (d) Risk Management Committee (“RMC”)

##### Management Committees

- (a) Sustainability Committee (“SC”)
- (b) Investment Committee (“IC”)

The Chairpersons of the relevant Board Committees report to the Board on key issues deliberated at their respective committee meetings. The Board acknowledges that while these Board Committees have the authority to examine issues and make recommendations to the Board, the ultimate responsibility for all matters lies with the Board.

All Board Committees are actively engaged and act as oversight committees. They contemplate and recommend matters under their purview for the Board’s deliberation and approval. The Board Committees are governed by their respective Terms of Reference (“TOR”), which were approved by the Board, and discharge their respective functions as stipulated therein, whilst Group CEO, Executive Directors and Management are responsible for the day-to-day management of the Group pursuant to the powers delegated by the Board, subject to compliance with the applicable laws and regulations. The TOR of the respective Board Committees are published on the Company’s website at [www.pressmetal.com](http://www.pressmetal.com).

During FYE2024, the Board adopted the following new/ revised policies/ framework:

- ESG-Linked Executive Incentive Remuneration Framework
- Non-Assurance Services Pre-Approval Policy
- Risk Management Policy

These documents define the Group’s commitments towards issues relevant to good corporate governance and are periodically reviewed to ensure relevance and applicability.

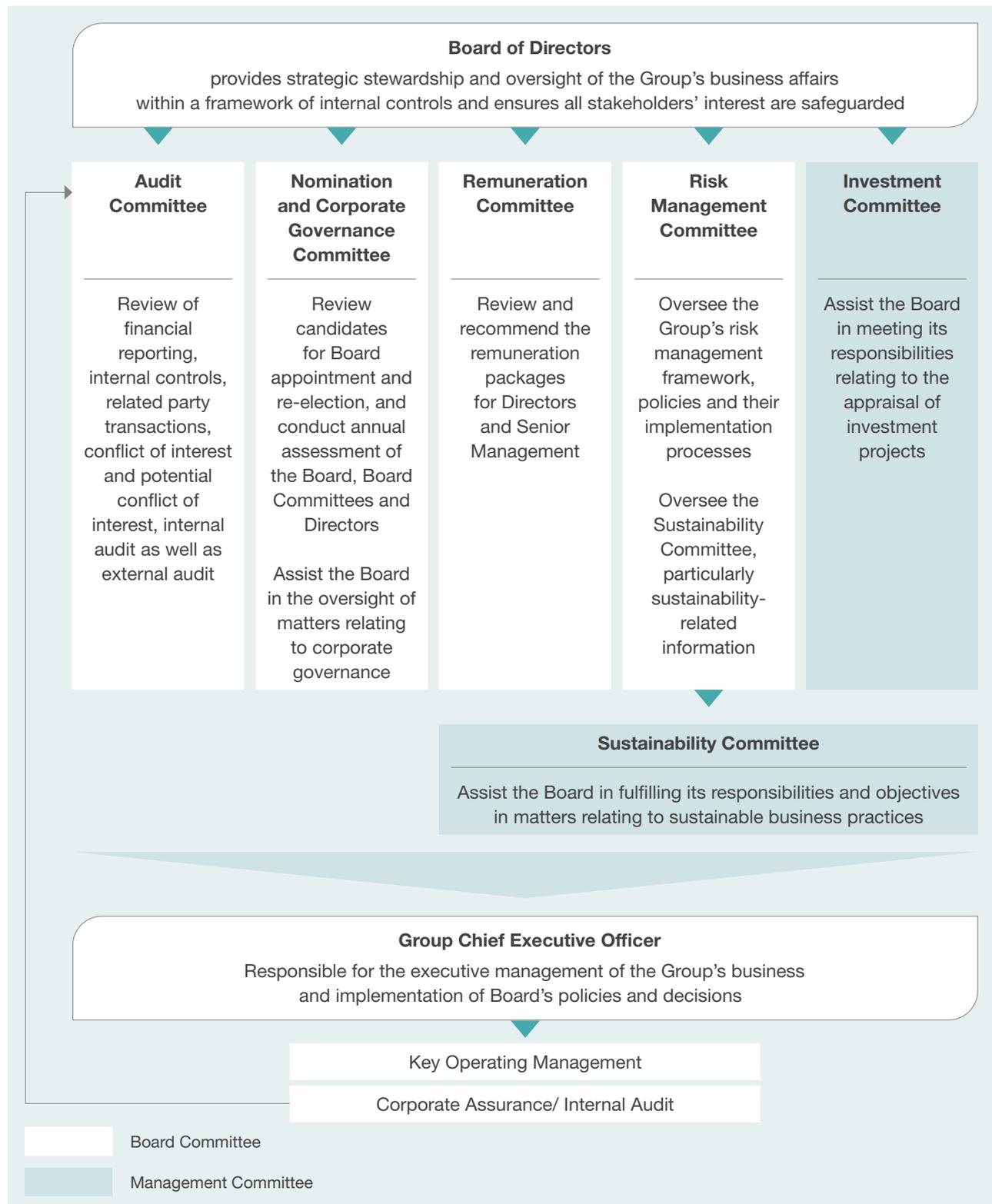
## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### I. Board Responsibilities (cont'd)

##### Board Roles and Responsibilities (cont'd)

The following diagram provides a brief overview of the governance framework of the Company:



## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### I. Board Responsibilities (cont'd)

##### **Separation of positions of the Chairman, Executive Vice Chairman and Group Chief Executive Officer**

The position of the Chairman, Executive Vice Chairman and the Group CEO are separated and held by different individuals with clear distinction of responsibilities between them to ensure that there is a balance of power and authority, such that no one individual has unfettered powers of decision making.

Datuk Yvonne Chia is the Chairman of the Board, Datuk Koon Poh Ming is the Executive Vice Chairman and Tan Sri Dato' Koon Poh Keong is the Group CEO. The Independent Non-Executive Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board. The Chairman encourages active and effective engagement, participation and contribution from all Directors and facilitates constructive relations between the Board and Management. The Executive Vice Chairman shall assist the Chairman in performing the latter's duties and responsibilities. He is also responsible to the Board for formulation of high-level strategies of the Group and overseeing the Group's business development and operations together with the Group CEO.

The Group CEO is responsible for the executive management of the business and activities of the Group and implements the strategies, policies and decisions approved by the Board. Independent Non-Executive Directors are responsible for providing insights, unbiased and independent views, advice and judgement to the Board and bring impartiality to the Board deliberations and decision-making.

In FYE2024, the Chairman of the Board led the Board by setting the tone from the top and managing Board effectiveness by focusing on strategic business, ongoing operations, governance and compliance. She guided the Board through the decision-making process and that the Board operates effectively as a team.

##### **Company Secretary**

The Board is supported by two (2) suitably qualified Company Secretaries who play a vital role in advising the Board in relation to the Company's Constitution, Board policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations, to ensure the Board's application of the corporate governance practices to meet the stakeholders' expectations. They constantly keep themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance by attending the relevant training programmes/ conferences.

In FYE2024, the Company Secretaries carried out the following:

- Documented Minutes and Resolutions of the Company;
- Updated the Board on any periodic Bursa Securities' amendments to MMLR or any relevant regulations;
- Prepared and presented the CGOS, CG Report and Audit Committee Report;
- Conducted the Board Effectiveness Evaluation for FYE2023;
- Facilitated the Board and Board Committees meetings virtually, hybrid and physical modes; and
- Managed the meeting process and circulated all board documents and proposals for consideration of all Board members.

##### **Board and Board Committee Meetings**

Board meetings and Board Committees' meetings for the ensuing financial year are scheduled in advance in consultation with the Directors to ensure maximum attendance. The Board meets on a quarterly basis, with additional meetings convened as and when necessary. Where appropriate, the Board may also resolve and approve various matters by way of written resolutions.

## Corporate Governance Overview Statement

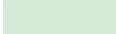
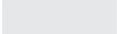
### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### I. Board Responsibilities (cont'd)

##### Board and Board Committee Meetings (cont'd)

In FYE2024, a total of six (6) Board meetings were held. The attendance of the Board and Board Committee members at the meetings of the Company are as follows:

Directors	Board	AC	NCGC	RC	RMC
<b>Executive Directors</b>					
Datuk Koon Poh Ming (Alternate Director: John Koon Tzer Lim)	6/6				3/4
Tan Sri Dato' Koon Poh Keong	6/6				
Dato' Koon Poh Tat	6/6				
Koon Poh Weng	6/6				
Datuk Koon Poh Kong	6/6				
<b>Independent Non-Executive Directors</b>					
Datuk Yvonne Chia (Yau Ah Lan @ Fara Yvonne)	6/6				
Noor Alina Binti Mohamad Faiz	6/6	5/5	2/2	1/1	
Lim Hun Soon @ David Lim	6/6	5/5	2/2	1/1	4/4
Susan Yuen Su Min	6/6	5/5	2/2	1/1	4/4
Chong Kin Leong	6/6	5/5	2/2		4/4

 Chairman  Member

All Directors are expected to devote sufficient time to carry out their responsibility and are required to notify the Chairman before accepting any new directorships in other listed issuer. Currently, all Directors of the Company hold not more than five (5) directorships in listed issuers, which is in compliance with Paragraph 15.06 of the MMLR of Bursa Securities.

The Board is satisfied with the time commitment given by the Directors as demonstrated by their attendance at the meetings of the Board and Board Committees.

#### Supply of and Access to Information

All Directors are furnished with an agenda and a set of Board meeting papers in advance of each Board and/ or Board Committees' meeting. This would give sufficient time to the Directors to obtain further explanation or clarification, where necessary, in order to be properly briefed before the meeting to facilitate informed decision making and meaningful discharge of their duties and responsibilities. The Board papers include, but not limited the following:

- Group CEO Report;
- Chief Financial Officer Report comprising quarterly financial report, financial results analysis, treasury report, sensitivity analysis and the Group's cash and borrowings position;
- Minutes of meetings of all Board Committees;
- Updates on corporate and secretarial matters; and
- Minutes of previous Board meetings.

## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### I. Board Responsibilities (cont'd)

##### **Supply of and Access to Information (cont'd)**

Meeting materials are uploaded electronically into a digital platform, which allows Board papers and other information to be securely and remotely accessible by all Directors in a timely manner. The minutes of Board meetings are circulated to all Directors for their perusal prior to confirmation of the minutes at the commencement of the next Board meeting. The Board also noted the decisions and salient issues deliberated by Board Committees through the minutes of the respective Board Committees.

Key Operating Management is requested to attend Board meetings to present and provide additional information on matters being discussed and to respond to any queries that the Directors may have.

In furtherance of discharging its duties and functions with adequate knowledge in the decision-making process, the Board is also authorised to obtain, at the Company's expense, independent professional advice on specific matters, if necessary.

All Directors have unrestricted access to any information pertaining to the Group's business affairs, whether as a full Board or in their individual capacity. The Directors also have access to the advice of the Company Secretary who is responsible for ensuring the Board's procedures are adhered to.

##### **Code of Conduct, Code of Ethics, Whistle-Blowing Policy, Anti-Bribery and Anti-Corruption Policy and Conflict of Interest Policy**

Conducting our business with the highest standards of ethics is essential to the Group. The Board acknowledges its role in setting the "tone at the top" to embed this as the culture for the Group. To this end, the Board adopted and implemented a Code of Conduct ("CoC") for Directors, Management and employees of the Group as well as Code of Ethics ("CoE") for the Board. The CoC and the CoE were last reviewed and endorsed by the Board in August 2023. The Codes are made available on the Company's website at [www.pressmetal.com](http://www.pressmetal.com).

The Company has always advocated for openness and transparency in its commitment to the highest standard of integrity and accountability. The Board adopted a Whistle-Blowing Policy which enables stakeholders to report and disclose through established channels any improper or unethical activities relating to the Group. The identity of the whistle-blower is kept confidential and protection is accorded to the whistle-blower against any form of reprisal. Any concerns raised will be investigated and a report and update will be provided to the Board through the AC. The Whistle-Blowing Policy was last reviewed and endorsed by the Board in August 2023 and the said policy is published on the Company's website at [www.pressmetal.com](http://www.pressmetal.com).

The Company adopts a "zero tolerance" policy against all forms of bribery and corruption and is committed to conducting business professionally and upholding high standard of ethics and integrity. In this regard, the Company has adopted the Anti-Bribery and Anti-Corruption ("ABAC") Policy to ensure compliance with and adherence to all applicable laws including, amongst others, the Malaysian Anti-Corruption Commission Act 2009 and any of its amendments or re-enactments that may be made by the relevant authority from time to time. The ABAC Policy will be reviewed and updated as and when necessary to ensure its relevance and effectiveness. The ABAC Policy is available on the Company's website at [www.pressmetal.com](http://www.pressmetal.com).

The Board also acknowledges that managing conflict of interest is crucial to protect the Group from consequent damage to its activities and reputation. The Board has adopted a Conflict of Interest ("COI") Policy which sets out the disclosure obligations to assist the Directors and Key Senior Management of the Group in identifying, disclosing and managing any potential, actual or perceived conflict of interest situation. This COI Policy aims to ensure that any conflict of interest situation is handled appropriately, promoting transparency, and fostering a culture of honesty, accountability and good governance within the Group.

## Corporate Governance Overview Statement

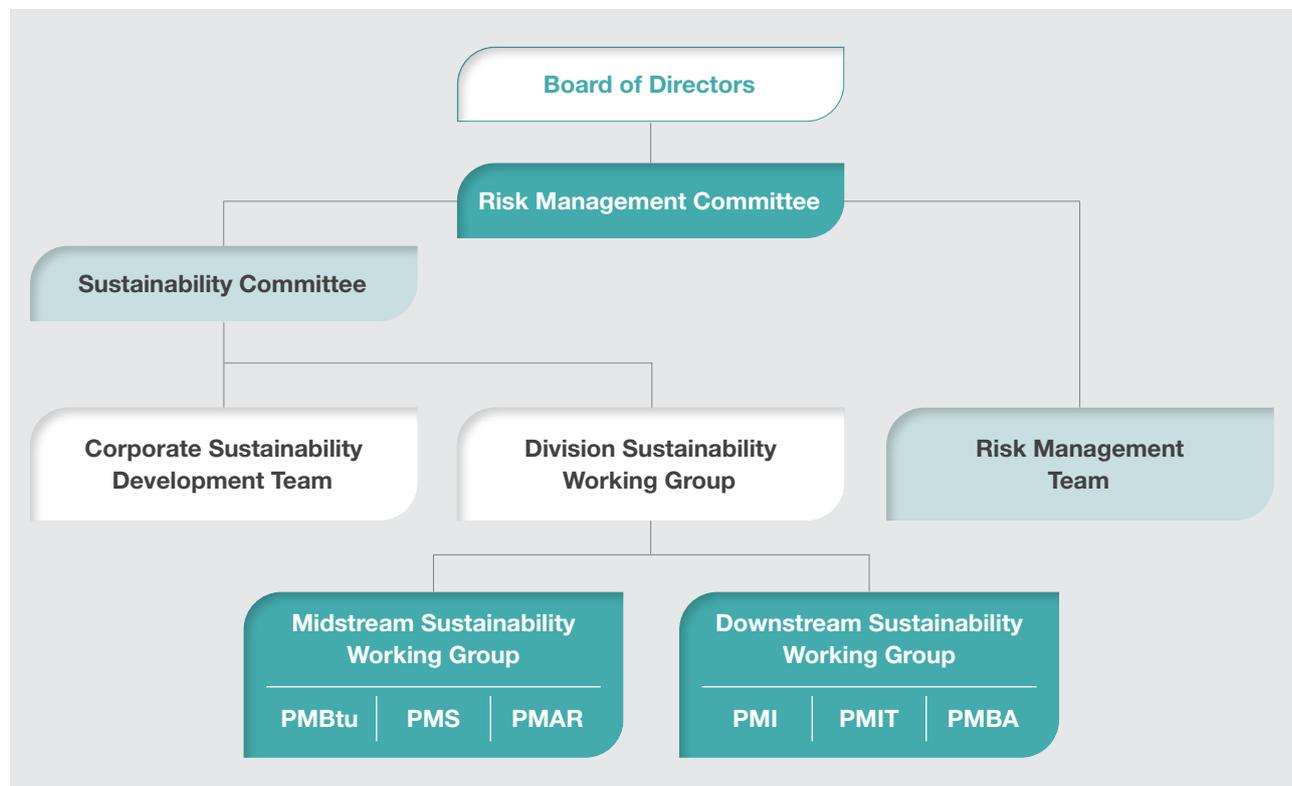
### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### I. Board Responsibilities (cont'd)

##### Governance of Sustainability

The Board recognises that sustainable development is an important and integral part of the Group's pursuit for long-term business success. The Company is fully committed towards instituting a robust, wide-ranging and germane sustainability framework to cover all aspects of operations. The Board assumes the ultimate responsibility for the Group's sustainability development and management and as such, oversee the enhanced Group's Sustainability Roadmap to further strengthen the sustainability framework within the organisation to support long term value creation and sustainability goals.

The Sustainability Governance Structure endorsed and adopted by the Board is outlined below:



Pursuant to the Sustainability Governance Structure, the SC, which is a Management Committee, supports the Board in overseeing the sustainability development of the Group, under the oversight of the RMC. The Corporate Sustainability Development (“CSD”) Team provides support and input to the SC on the Group's strategies, priorities and targets on matters related to sustainability as well as provides advisory support to Division Sustainability Working Group (“SWG”) in the areas of sustainability, where necessary. The SWG is responsible for the implementation, monitoring and reporting of sustainability management actions across respective business activities. The Board is also supported by the RMC for the review and assessment of the Group's risk management and internal controls systems, covering the sustainability risks that the Group is or may be exposed to.

## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### I. Board Responsibilities (cont'd)

##### Governance of Sustainability (cont'd)

The Board has fiduciary duties and is focused on maintaining good corporate governance practices, which include a commitment to ethics, integrity and corporate responsibility, ensuring that our corporate strategy aligns with our values and culture. The Board takes guidance on material sustainable issues from the SC.

The Board sets corporate governance standards and policies for the Company while the Group CEO oversees the execution of approved strategies, governance standards, policies and procedures at the Group-level. By instituting transparent policies and ethical principles, the Group aims to cultivate greater trust, confidence and loyalty amongst our stakeholders.

The strategic management of the material sustainability matters and the integration of sustainability considerations in the operations of the Group are driven by the Senior Management, led by the Group CEO, who serves as the Chair of the SC. Progress on the implementation of the Group's sustainability initiatives, ESG targets and other significant ESG matters are brought to the attention of the Board through the SC for deliberation.

The SC presented updates to the Board on sustainability performance review of the Group related to GHG Emissions, Water Withdrawal, Waste Recycling, Occupational Health and Safety, and Gender Diversity at the quarterly Board meetings. The SC also keeps the Board updated on any latest ESG development and initiatives of the Group. The Board had undertaken relevant trainings to stay abreast and understand the latest sustainability issues. During the year, the Company organised a sustainability training entitled "ESG & Internal Audit - Strengthening the Third Line of Defence" for the Board.

The Company enlisted KPMG PLT to provide limited assurance on the ten (10) selected sustainability indicators which includes the following:

1. Percentage of directors by gender and age group (%)
2. Percentage of operations assessed for corruption-related risks (%)
3. Confirmed incidents of corruption and action taken (number)
4. Total energy consumption (million gigajoules)
5. Number of work-related fatalities (number)
6. Lost time incident rate (rate)
7. Number of substantiated complaints concerning human rights violations (number)
8. Number of substantiated complaints concerning breaches of customer privacy and losses of customer data (number)
9. Scope 1 GHG emissions (kilotonnes of CO<sub>2</sub>e)
10. Scope 2 GHG emissions (kilotonnes of CO<sub>2</sub>e)

In pursuit of upholding industry-leading standards, the Company has taken decisive steps to align management and governance practices with top global benchmarks. The Company's ERM framework adheres to ISO 31000:2018 risk management guidelines, enabling the Group to effectively identify ESG risks and opportunities and seamlessly integrate them into our strategies and processes.

The Group's sustainability performance continues to be validated by reputable local and international ratings and accreditation organisations. The MSCI ESG Rating was upgraded from "A" to "AA", certifying that the Group remain highly resilient against long-term, ESG-related risks. These concerted efforts and consistent achievements have led in the Company maintaining our 4-star rating under the FTSE4Good Bursa Malaysia Index for the third year running.

Full details of the Group's Sustainability efforts can be found in the Sustainability Report on pages 89 to 216 of this IAR 2024.

## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition

##### **Board Size, Composition and Diversity**

During the financial year under review, the Board comprises ten (10) members, of whom five (5) are Executive Directors and five (5) are Independent Non-Executive Directors, along with one (1) Alternate Director to Executive Director. The composition of the Board complies with Paragraph 15.02 of the MMLR of Bursa Securities, which requires at least two (2) directors or one-third (1/3) of the Board, whichever is higher, to be independent.

The size and composition of the Board are reviewed periodically by the NCGC to ensure that they are appropriate and conducive for effective discussion and decision-making, with a strong element of independence. No individual or small group of individuals dominates the Board's decision-making process. The Independent Non-Executive Directors have conducted themselves professionally, are clear with the objectives and their fiduciary role, with independent insights in doing what is right for the Company and all stakeholders. The NCGC, with the concurrence of the Board, is of the view that the current Board size is optimal based on the Group's operation and that it reflects a fair mix of financial, technical and business experiences that are important to the stewardship of the Group.

The Board is satisfied with the current composition as this size is optimal and would enable effective oversight and delegation of responsibilities. The summary of the Board composition as of 31 December 2024 is set out below:

**MCCG Practice 5.2** *(At least half of the Board comprises Independent Directors)*

5 Executive Directors (50%)

5 Independent Non-Executive Directors (50%)

**MCCG Step-Up 5.4** *(The Board has a policy which limits the tenure of its Independent Directors to 9 years without further extension)*

Between 3 years to 6 years (3)

More than 6 years and up to 9 years (2)

**MCCG Practice 5.9** *(The Board comprises at least 30% female Directors)*

70% Male

30% Female

**Age\***

50 to 59 years old (1)

60 to 69 years old (7)

70 years old and above (2)

**Nationality**

Malaysian (10)

Note:

\* The age categorisation presented in this section differs from the Bursa Malaysia Three-Year Sustainability Performance Data of this IAR 2024.

The Board recognises that diversity, in its broadest sense, which comprises individuals with a broad range of backgrounds, skills, experience, expertise and perspectives is a key driver of an effective Board. The Board is composed of members with experience and expertise in strategy, accounting, finance, legal, regulatory, banking and economics, engineering and business management, which allows for informed deliberation, diverse insights for decision-making at the Board level as well as meeting corporate objectives.

The Board supports gender diversity as part of the agenda in achieving boardroom diversity as the Board acknowledges and embraces that a wide range of perspectives is critical to effective corporate governance and strategic decision-making in the fast-changing business environment. The Board composition currently comprises three (3) women Directors, representing 30% of the Board. The female representation in the managerial role stands at 33.6% with appointments being subject to formal, rigorous, and transparent procedures and decided on merit against a defined job specification and criteria. The Board is committed to supporting the work of the Group to look for new and innovative ways to promote a diverse and inclusive workforce at every level of the organisation.

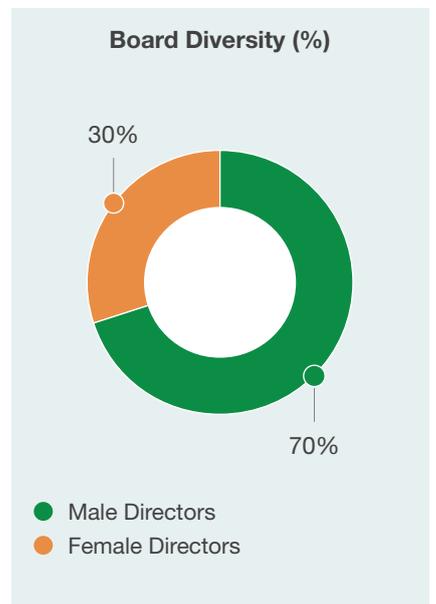
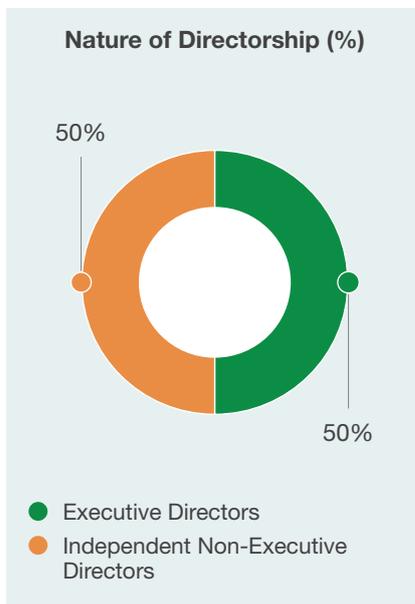
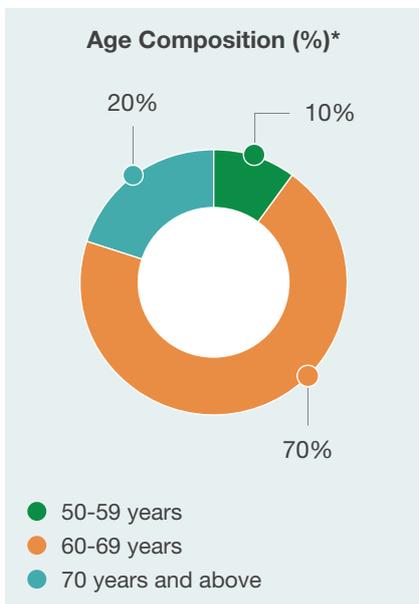
## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (cont'd)

##### Board Size, Composition and Diversity (cont'd)

A granular view of the Board composition during the financial year under review is illustrated below:



Note:

\* The age categorisation presented in this section differs from the Bursa Malaysia Three-Year Sustainability Performance Data of this IAR 2024.

## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (cont'd)

##### Independent Non-Executive Directors

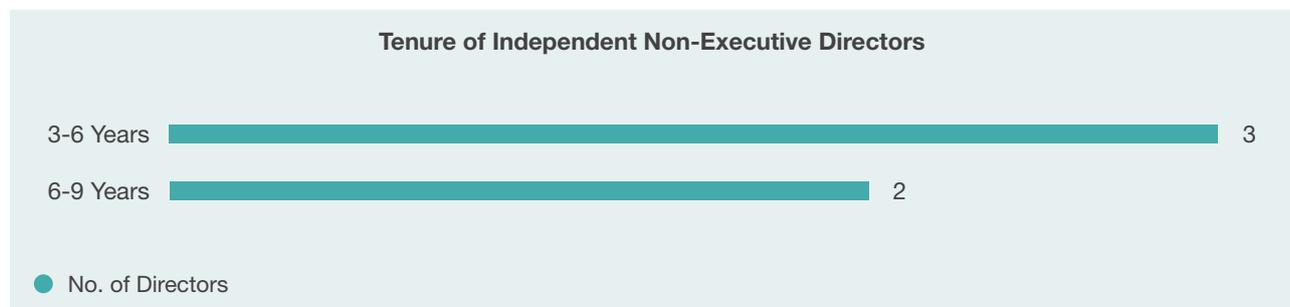
The Board recognises the importance of independence and objectivity in the decision-making process. The Independent Non-Executive Directors are independent from management and are free from any business or other relationship with the Company which could interfere with the exercise of their independent judgement. This provides an effective check and balance in the functioning of the Board where all matters are reviewed with balance and fairness, to ensure the needs and interests of the Company are met.

Whilst the Board does not comprise a majority of Independent Non-Executive Directors as espoused by the MCGG 2021, half of its members are independent. The presence of an Independent Non-Executive Chairman on the Board allows for deliberations and discussions to be framed and mediated in an objective manner.

The Independent Non-Executive Directors scrutinise and monitor the performance of Management in meeting agreed goals and objectives. They are required to satisfy themselves on the integrity of the financial information and that financial controls and systems of internal control and risk management are robust and defensible.

As stipulated in the Board Charter, the maximum tenure of an Independent Non-Executive Director of the Company is a cumulative term of nine (9) years. Upon reaching such maximum tenure, an Independent Non-Executive Director may continue to serve on the Board but shall be redesignated as Non-Independent Non-Executive Director.

As at the date of issuance of this Annual Report none of the Independent Non-Executive Director has exceeded the tenure of a cumulative term of nine (9) years on the Board of the Company. The tenure of the existing Independent Non-Executive Directors of the Company is as follows:



##### Nomination and Corporate Governance Committee

The NCGC is primarily responsible for recommending suitable appointments to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the director should bring to the Board, as well as overseeing all matters relating to corporate governance. The NCGC also assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director. The NCGC has its own terms of reference which deals with its authority and duties. The TOR of the NCGC is available on the Company's website at [www.pressmetal.com](http://www.pressmetal.com).

The NCGC consists of exclusively Independent Non-Executive Directors, details as follows:

Chairman : Susan Yuen Su Min (*Independent Non-Executive Director*)  
 Members : Noor Alina Binti Mohamad Faiz (*Independent Non-Executive Director*)  
 Lim Hun Soon @ David Lim (*Independent Non-Executive Director*)  
 Chong Kin Leong (*Independent Non-Executive Director*)

## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (cont'd)

##### **Nomination and Corporate Governance Committee (cont'd)**

During the FYE2024, two (2) NCGC meetings were held. The NCGC has undertaken the following key activities in discharging its duties:

- (i) Reviewed and assessed the performance and effectiveness of the Board as a whole, Board Committees and the performance of each Director.
- (ii) Reviewed the composition of the Board and Board Committees.
- (iii) Reviewed the terms of office and performance of the AC and each of its members.
- (iv) Reviewed the independence of the Independent Non-Executive Directors.
- (v) Reviewed the character, experience, integrity, competence and time commitment of each Director, Group CEO and the Chief Financial Officer.
- (vi) Reviewed and recommended the re-election of Directors at the 8<sup>th</sup> AGM of the Company held on 27 June 2024.
- (x) Reviewed the training programmes attended by the Directors and assessed the training needs of all Directors.
- (xi) Reviewed the statements/ reports for incorporation into the Integrated Annual Report 2023 of the Company and the Circular/ Statement to Shareholders and recommended the same to the Board for approval.
- (xii) Reviewed the succession planning for CEO and key senior management.

##### **Board Appointment**

The NCGC has been entrusted with the responsibility to identify, evaluate, select and recommend to the Board of any suitable candidate with the required credential to be appointed as a director of the Company, either to fill a casual vacancy or as an addition to meet the changing needs of the Company. The NCGC leverages on the Directors' wide network of professional and business contacts as well as various channels to identify suitable qualified candidates.

In selecting a suitable candidate, the NCGC takes into consideration the candidate's character, experience, integrity, competence and time commitment, as well as the candidate's directorship in other companies, having regard to the size of the Board, and the required mix of skills and diversity required for an effective Board. The NCGC may request the candidate on the disclosure of any business that may result in conflict of interest. For the appointment of an Independent Non-Executive Director, the NCGC would also assess whether the candidate meets the requirements for independence based on the criteria prescribed in the MMLR of Bursa Securities.

The Board appointment process of a new director is summarised as follows:

- (a) Should there be a vacancy on the Board or if an additional Board appointment is required, the Board will consider making an appointment that will attain and maintain the best mix of diversity, consistent with the skills, expertise, experience and background required to fill such a position. The NCGC shall prepare descriptions of the director characteristics the Board is looking for in a new appointment.
- (b) The NCGC may seek professional advice from independent search firms as and when it considers necessary to identify and short-list suitable candidates and a list of nomination for candidates proposed by the Group CEO, and within the bounds of practicability, by any other director for considerations.
- (c) NCGC meeting will be held to deliberate on the nomination of Board candidates and review the profile of Board candidates.
- (d) Interview between NCGC members and the shortlisted candidates will be held after the NCGC meeting.
- (e) The NCGC will then make a decision in recommending the appointment to the Board.
- (f) Based on the recommendation of the NCGC and upon review of the profile of board candidate, the Board will deliberate the appointment of a new director at the Board meeting or to approve the appointment of new Director via Directors' Resolution in Writing.

## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (cont'd)

##### **Board Appointment (cont'd)**

The Board has adopted a Directors' Fit and Proper Policy to assess the fitness and propriety of a candidate before being appointed or seeking re-election as a Director of the Company and its subsidiaries. This serves to ensure that any person to be appointed or re-elected as a Director within the Group ("Responsible Person") possesses the character, experience, integrity, competence and time to effectively discharge his/ her role as a director. The NCGC is responsible for the following:

- (a) The assessment on existing Directors for re-election, or candidates for nomination for appointment as Directors of the Company and make recommendations to the Board on these matters.
- (b) Ensuring that appropriate fit and proper assessments are carried out for each Responsible Person, including using the services of credible third party service providers where necessary and appropriate.
- (c) Reporting to the Board on matters that are relevant to a particular assessment of a Responsible Person's fitness and propriety.
- (d) Providing information to the Board on matters concerning the criteria and procedure for fit and proper assessments including addressing any gaps in the assessment.
- (e) Ensuring that the Group takes all reasonable steps to protect the information and documents, which are collected for fit and proper assessments purposes from misuse, unauthorised access, modifications or disclosure.

The Directors' Fit and Proper Policy is available on the Company's website at [www.pressmetal.com](http://www.pressmetal.com).

##### **Annual Assessment of the Board and Board Committees**

An annual assessment mechanism is in place to assess the effectiveness of the Board as a whole, Board Committees and the contribution of each individual Director. The annual assessment enables the Board to ensure that each of the Board members, Group CEO and Chief Financial Officer have the character, experience, integrity, competency and time to effectively discharge their respective roles.

The Board, through the NCGC and the external corporate secretarial service provider of the Company, conducted an annual assessment to evaluate the effectiveness of the Board and the Board Committees for the FYE2024. The assessment was conducted by way of completion of questionnaires by each of the Directors. The questionnaire comprises sections on the Board and Board Committees Evaluation, Directors' Self and Peer Evaluation, Directors' Skills Set Matrix, Evaluation of the Level of Independence of an Independent Director, Company Secretary Evaluation and Chief Financial Officer Evaluation. The criteria adopted for the Board's performance evaluation includes Board mix and composition, quality of information and decision making, Board's relationship with the Management, Board activities, Board Chairman's roles and responsibilities, and awareness of ESG issues, whilst the criteria adopted for the Directors' Self and Peer performance evaluation encompasses character, experience, integrity, competency and time commitment. The NCGC has evaluated the performance of the Group CEO and Chief Financial Officer through evaluation form completed by themselves respectively.

In February 2025, the Company Secretary presented to the NCGC the outcome and the summary of the Board Effectiveness Evaluation for the FYE2024 ("BEE 2024"). The Chairman of NCGC briefed the Board on the BEE 2024 and the Board resolved to adopt the BEE 2024 results as recommended by NCGC. The results of the BEE 2024 indicated that the performance of the Board, the Board Committees, the individual Directors and members of the Board Committees collectively during the review period has been highly satisfactory, objective and professional. The results of the BEE 2024 were also used as a basis for recommending the relevant Directors for re-election at the upcoming 9<sup>th</sup> AGM, which is in line with the Directors' Fit and Proper Policy.

The Board is of the view that its present size and composition are optimal based on the Group's operations and that it reflects a fair mix of financial, technical and business experiences that are important to the stewardship of the Group. The Board was satisfied with the level of performance of each of the Directors and that they had also met the performance criteria in the prescribed area of assessments.

## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (cont'd)

##### **Annual Assessment of Independent Directors**

The NCGC is responsible for assessing the independence of each Independent Director annually to ensure that there are independent elements that fit the Company's objectives, strategic goals and comply with MMLR of Bursa Securities. This process is conducted through the assessment of independence of Independent Directors as part of the annual Board evaluation. The Independent Directors of the Company are required to confirm their independence and have undertaken to inform the Company immediately if there is any change which could hinder their independent judgement or ability to act in the best interest of the Company.

The NCGC and the Board have, upon their assessment, concluded that the Independent Directors continue to demonstrate conduct and behaviour that are essential indicators of independence and are satisfied with the level of independence demonstrated by all the Independent Directors during the financial year under review, as well as their ability to exercise objective judgement, provide independent views and act in the best interest of the Company.

##### **Re-election of Retiring Directors**

In accordance with the Company's Constitution, one-third (1/3) of the Directors must retire at the AGM. All Directors are subject to retire by rotation, at least once every three (3) years but shall be eligible for re-election. New Director appointed by the Board during the year, if any, is required to retire at the next AGM and shall be eligible to stand for re-election. Proposals for the re-election of Directors are recommended by the NCGC to the Board prior to the shareholders' approval at the AGM of the Company, based on the annual assessment conducted.

Based on the recent annual assessment including fit and proper evaluations, the NCGC is satisfied with the performance of the Directors who are standing for re-election and has recommended to the Board their proposed re-election in accordance with the Constitution. The Board supported the NCGC's recommendations to re-elect the eligible Directors standing for re-election at the forthcoming 9<sup>th</sup> AGM of the Company. The Directors who are retiring shall abstain from deliberations and decisions on their own eligibility to stand for re-election at the meetings of the Board.

##### **Induction, Site Visit and Professional Training**

In order for the new Directors to carry out their roles and duties effectively, documents such as disclosure obligations and schedule of meetings were furnished to them. The Directors have participated and will continue to undergo the relevant training programmes to further enhance their skills and knowledge, as well as keeping themselves abreast of the latest statutory and/ or regulatory requirements in discharging their fiduciary duties as Directors to the Company.

The Board acknowledges that new directors must attend the Mandatory Accreditation Programme as prescribed by Bursa Securities and the training needs of all Directors are identified through the annual Board assessment by the NCGC.

During the year under review, the Independent Directors visited PMI in Foshan City, Guangdong, China. By visiting the site overseas, the Independent Directors demonstrated their commitment to better understand the operations and valuing the contributions made by the team, reinforcing their dedication to the Group's success.

During FYE2024, two (2) in-house Directors' trainings, entitled "ESG & Internal Audit - Strengthening the Third Line of Defence" and "Cyber Attack Trends and What Can You Do About It?" were organised by the Company and the trainings were conducted by KPMG Management (ESG Team) and Firmus Sdn Bhd respectively.

## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (cont'd)

##### Induction, Site Visit and Professional Training (cont'd)

The briefings, seminars, conferences, workshops and training programmes attended by the Directors in FYE2024 are summarised as below:

Directors	Seminars/ Conferences/ Training Programmes Attended	Date
Datuk Yvonne Chia (Yau Ah Lan @ Fara Yvonne)	Asia Directors' Training – Sustainability Strategy Update	11 March 2024
	Directors' briefing – Geopolitical/ Economic Update	29 April 2024
	Roundtable with U.S. Treasury Undersecretary Brian Nelson	9 May 2024
	Annual "Ask Me Anything" 2024 series	11 June 2024
	KPMG Malaysia Symposium, Beyond ESG – "New World Governance, Driving High Performance Boards"	7 October 2024
	Senior Leadership Conference	19 January 2024
	UBS OneASEAN Summit 2024	4 March 2024
	Financial Services Library World Book Day	23 April 2024
	Global Forum on Islamic Economics and Finance	28 - 29 May 2024
	Engagement with FIDE FORUM & BNM on Economic Updates	30 May 2024
	Malaysia Banking Conference – "Aligning Skills to the New Future of Work in the Era of AI"	10 - 11 July 2024
	Kuala Lumpur Islamic Finance Forum 2024	5 - 6 November 2024
	Standard Chartered Saadiq Berhad: 1 <sup>st</sup> Shariah Committee Dialogue	25 June 2024
	Standard Chartered Saadiq Berhad: 2 <sup>nd</sup> Shariah Committee Dialogue	3 December 2024
	ESG & Internal Audit – Strengthening the Third Line of Defence	1 July 2024
	FIDE Forum: CGM Masterclass: Latest Developments in Climate-Aligned Executive Compensation	17 July 2024
	Climate Risk Stress Testing	4 October 2024
	Leading the Way: Developing Credible Transition Plans for Financial Institutions	10 October 2024
	Climate Governance Malaysia/ US Embassy: Nuclear Energy & Energy Transition	4 December 2024
	AI Malaysia Working Group	28 October 2024
	Talent Corp Impact Study on AI, Digital and Green Economy	18 November 2024
	IBFIM – Digital Banking & The Role of AI in Banking Operations	20 November 2024
	YTL Corporation Berhad: International Women's Day	7 March 2024
	Ready Women Program 2024 – "Trailblazing to success"	17 July 2024
	TFM Student Leadership Summit in conjunction with Suara Anak Malaysia 2024	23 November 2024
	2 <sup>nd</sup> National Resolution Symposium 2024	23 - 24 September 2024
	The ASEAN DEI Collective	26 October 2024
Cyber Attack Trends and What Can You Do About It?	29 November 2024	
Datuk Koon Poh Ming	Cyber Attack Trends and What Can You Do About It?	29 November 2024
Tan Sri Dato' Koon Poh Keong	Senior Leadership Conference	19 January 2024
	UBS OneASEAN Summit 2024	4 March 2024
	Strategic Talk: Executive Round Table	8 March 2024

## Corporate Governance Overview Statement

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. **Board Composition (cont'd)****Induction, Site Visit and Professional Training (cont'd)**

The briefings, seminars, conferences, workshops and training programmes attended by the Directors in FYE2024 are summarised as below:

Directors	Seminars/ Conferences/ Training Programmes Attended	Date
Tan Sri Dato' Koon Poh Keong (cont'd)	14 <sup>th</sup> International Alumina Summit	23 - 24 May 2024
	ESG & Internal Audit: Strengthening the Third Line of Defence	1 July 2024
	UBS Mid-Year Outlook 2024	3 July 2024
	Morgan Stanley's 23 <sup>rd</sup> Annual Asia-Pacific Summit	20 - 21 November 2024
	Cyber Attack Trends and What Can You Do About It?	29 November 2024
Dato' Koon Poh Tat	ESG & Internal Audit: Strengthening the Third Line of Defence	1 July 2024
	Cyber Attack Trends and What Can You Do About It?	29 November 2024
Koon Poh Weng	ESG & Internal Audit: Strengthening the Third Line of Defence	1 July 2024
	Cyber Attack Trends and What Can You Do About It?	29 November 2024
Datuk Koon Poh Kong	Cyber Attack Trends and What Can You Do About It?	29 November 2024
Noor Alina Binti Mohamad Faiz	Future Proofing Your Business: What You Need To Know About The "S" In ESG	6 March 2024
	Board Oversight of Climate Risks and Opportunities	23 April 2024
	Carbon Market: What Directors Need to Know	12 June 2024
	SIDC Sustainable and Responsible Investment Conference 2024	20 June 2024
	ESG & Internal Audit: Strengthening the Third Line of Defence	1 July 2024
	ESG/ Impact Investing: What are Investors Looking For	19 August 2024
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	9 - 10 October 2024
	Cyber Attack Trends and What Can You Do About It?	29 November 2024
Lim Hun Soon @ David Lim	Fireside Chat with Former Central Bank Governors on "Central banking in an Evolving International Financial System"	6 February 2024
	Virtual Talk on The Global Landscape: Near-Term Volatility	4 March 2024
	Virtual Talk on Generative AI: What Comes Next After ChatGPT? Predicting the Next 5 GenAI Tools!	15 March 2024
	Directors Masterclass Series: What Directors Must Know – Recent Developments in Climate Science	17 April 2024
	Engagement Session with FIDE FORUM Members on BNM Annual Report 2023, Economic and Monetary Review 2023 and Financial Stability Review 2023	30 May 2024
	Virtual Talk on ABAC and AML – Senior Management and the Board's Responsibilities and Perspective	5 June 2024
	ESG & Internal Audit - Strengthening the Third Line of Defence	1 July 2024
	IFCTF 2024 Masterclass Programme: "Combatting Financial Crime and AML/ CFT/ CPF: A Technical Deep Dive"	19 August 2024
	Case Studies – Wirecard's Reluctant Whistleblower and Other Financial Deceptions	15 October 2024
	Directors' Remuneration Report Launch	11 November 2024
	Cyber Attack Trends and What Can You Do About It?	29 November 2024

## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (cont'd)

##### Induction, Site Visit and Professional Training (cont'd)

The briefings, seminars, conferences, workshops and training programmes attended by the Directors in FYE2024 are summarised as below:-

Directors	Seminars/ Conferences/ Training Programmes Attended	Date
Susan Yuen Su Min	Development of Carbon Net-Zero Roadmap	10 January 2024
	Cyber Security Awareness	16 January 2024
	AML/ CFT/ CPF & TFS 2001 & MACC Act 2009: Evolving Challenges & Expectations in Regulatory Compliance	13 March 2024
	Carbon Markets: What Directors Need to Know	12 June 2024
	Sasana Symposium 2024	12 June 2024
	ESG & Internal Audit – Strengthening the Third Line of Defence	1 July 2024
	FIDE Forum: Preventing Fraud: The Board's Roles and Responsibilities	8 August 2024
	Sustainable Finance	20 August 2024
	FIDE Forum: National Resolution Symposium 2024 – Building Collaborative Resolvability: From Policy to Practice	23 - 24 August 2024
	Stewardship as the Guiding Principle for Your Board and People Agenda	25 September 2024
	KPMG Asia Pacific Board Leadership Center Webinar: Geopolitical Risk and the Strategic Imperatives for Boards and C-suite	17 October 2024
	Deloitte: GenAI as a Transformation Enabler	29 October 2024
	Cyber Attack Trends and What Can You Do About It	29 November 2024
	Chong Kin Leong	J P Morgan: Navigating the Macroeconomic Terrain in 2024
AIA: Cloud Risk Master Class		23 April 2024
FIDE Forum: Leveraging AI in the Fight Against Financial Crime		25 June 2024
ESG & Internal Audit – Strengthening the Third Line of Defence		1 July 2024
University of Cambridge Judge Business School/ Asia Banking School: Summer Programme		29 July 2024 - 2 August 2024
AIA: Integrated Health Strategy		8 August 2024
AIA: E-invoicing Briefing		8 August 2024
AIA: Shariah Concepts of Hajah and Darurah and their Application in Islamic Financial Institutions		14 October 2024
AIA: Information Technology Security/ Automation and Digital Transformation		17 October 2024
AIA: Anti-Money Laundering Financial Action Task Force and the Emerging Risk Landscape		17 October 2024
AIA: Future of Audit with Artificial Intelligence		18 October 2024
FIDE Forum: Economic Outlook & Post-Budget 2025 Forum		14 November 2024
Cyber Attack Trends and What Can You Do About It?		29 November 2024
John Koon Tzer Lim (Alternate Director to Datuk Koon Poh Ming)	ESG & Internal Audit – Strengthening the Third Line of Defence	1 July 2024
	C-Pace Team Effectiveness Programme (Management Training)	30 August 2024
	Cyber Attack Trends and What Can You Do About It?	29 November 2024

## Corporate Governance Overview Statement

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### III. Remuneration

The Company aims to set remuneration at levels which are sufficient to attract and retain Directors and Senior Management to run the business successfully, taking into consideration all relevant factors including the function, workload and responsibilities involved.

For oversight on remuneration matters, the Board is assisted by the RC which comprises exclusively Independent Non-Executive Directors, details as follows:

Chairman : Noor Alina Binti Mohamad Faiz (*Independent Non-Executive Director*)  
Members : Lim Hun Soon @ David Lim (*Independent Non-Executive Director*)  
Susan Yuen Su Min (*Independent Non-Executive Director*)

The RC is responsible to formulate and review the remuneration policies for the Board as well as the Senior Management of the Company to ensure the same remain competitive, appropriate, and in alignment with the prevalent market practices. The roles and responsibilities of the RC are set out in the TOR of the RC, which is available on the Company's website at [www.pressmetal.com](http://www.pressmetal.com).

The RC establishes the framework and policies, as well as reviews the remuneration of Directors and Senior Management that is linked to strategy and/ or performance and long-term objectives of the Company, including the remuneration of the Non-Executive Directors.

The Executive Directors' remuneration packages are structured to link reward to individual and corporate performance and the determination of the same is a matter to be decided and approved by the Board as a whole. The Executive Directors concerned were abstained from deciding their own remuneration. As for Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken. The current remuneration payable to Non-Executive Directors comprises of Directors' fees and meeting allowance, based on the number of meetings attended in a year. Non-Executive Directors' remuneration is a matter to be decided by the Board as a whole, with the Directors concerned abstaining from deliberations and voting on decisions in respect of his or her individual remuneration, prior to the tabling of such for shareholders' approval at the Company's AGM. The Directors who are shareholders of the Company will abstain from voting on the resolution relating to the payment of the Directors' fees and benefits at the AGM of the Company.

Meeting of the RC is held as and when necessary, and at least once a year. One (1) RC meeting was held during the FYE2024 and full attendance by the members was recorded. The RC has carried out the following activities during the financial year under review:

- (a) Reviewed and recommended the remuneration package of the Company's Executive Directors including the Group CEO and Alternate Director for the Board's approval;
- (b) Reviewed and recommended the Directors' fees and other benefits payable to the Non-Executive Directors for the Board's endorsement and the approval of the shareholders at the Company's AGM; and
- (c) Reviewed the ESG-linked Executive Incentive Remuneration Framework for ESG-linked personnel of the Group.

In February 2024, the RC undertook a review of the fees for the Non-Executive Directors and their respective Board Committees. Having considered the increased responsibilities and expanded time commitments required of the Independent Directors, the RC recommended an increase of 10% in Directors' fees of the Non-Executive Directors for the FYE2024 and the Board approved the Directors' and Board Committees' fees for FYE2024. There are no changes to the meeting allowances for the FYE2024.

The details of the Directors' Remuneration for the FYE2024 are disclosed in the CG Report 2024 under Practice 8.1.

## Corporate Governance Overview Statement

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. Audit Committee

The Board upholds the integrity of financial reporting. The AC is entrusted to provide advice and assistance to the Board in fulfilling its statutory and fiduciary responsibilities relating to the Company's internal and external audit functions, risk management, compliance systems and practices, financial systems, accounting and control systems and matters that may significantly impact the financial condition or affairs of the business. The AC is also responsible for ensuring that the financial statements of the Company comply with the applicable financial reporting standards in Malaysia.

The AC comprises four (4) Independent Non-Executive Directors who play a key role in ensuring the integrity and transparency of corporate reporting. None of the AC members were former audit partners who are required to observe a cooling-off period of at least three (3) years before being appointed in accordance with the TOR of the AC. The AC provides robust and comprehensive oversight on financial reporting, objectivity and effectiveness of internal and external audit processes, reportable related party transactions, conflict of interest and potential conflict of interest situations as well as risk management matters.

The AC Chairman is distinct from the Chairman of the Board. All AC members possess the requisite financial literacy and business knowledge that support the sound understanding of matters under their purview. The AC's composition, term of office and performance are subject to annual review by the NCGC to determine whether the AC as a whole and its members have carried out their duties in accordance with the TOR of the AC, before recommendation to the Board for assessment. The Board is satisfied that the AC members discharged their functions, duties and responsibilities in accordance with the AC's TOR.

The AC has unrestricted access to both the internal and external auditors, who report functionally and directly to the AC. The AC has established transparent arrangements to maintain an appropriate relationship with the Company's auditors.

#### **Assessment of Suitability, Objectivity and Independence of External Auditors**

In the annual assessment of the suitability, objectivity and independence of the External Auditors, the AC is guided by the factors as prescribed under Paragraph 15.21 of the MMLR of Bursa Securities. The AC is also to consider the performance of the External Auditors and its independence as below:

- (a) The External Auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the Audit Planning Memorandum;
- (b) The competence, audit quality and resources capacity of the External Auditors in relation to the audit;
- (c) The information presented in the Annual Transparency Report of the audit firm;
- (d) The nature of the non-audit services provided by the External Auditors and fees paid for such services relative to the audit fee; and
- (e) Whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the External Auditors.

In the fourth quarter of 2024, the Company's External Auditors, KPMG PLT presented its 2024 Audit Plan which outlined its engagement team, audit timeline and areas of audit emphasis for the AC's review.

As part of the AC's review processes, the AC has obtained assurance from KPMG PLT, confirming that they are and have been independent throughout the conduct of the audit in accordance with the terms of relevant professional and regulatory requirements.

Based on the AC's assessment of the External Auditors, the Board is satisfied with the independence, quality of service and adequacy of resources provided by the External Auditors in carrying out the annual audit for the FYE2024. In view thereof, the Board has recommended the re-appointment of the External Auditors for the approval of shareholders at the forthcoming 9<sup>th</sup> AGM.

## Corporate Governance Overview Statement

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

#### I. Audit Committee (cont'd)

##### Internal Audit Function

The Group has an in-house internal audit (“IA”) department, which is augmented with outsourced Internal Auditors for specialised expertise in selected areas. The IA function is independent of the activities or operations of the other operating units in the Group. The IA function adopts a risk-based audit approach when executing each audit assignment which is carried out in accordance with the annual audit plan. The annual audit plan covers the major subsidiaries of the Group. The IA function provides the AC and the Board with assurance regarding the adequacy and integrity of the systems of risk, governance and internal controls.

The AC is responsible for assisting the Board in ensuring the adequacy and effectiveness of internal controls. The system of internal control and risk management in place during 2024, is sound and sufficient to safeguard the Group’s assets, as well as shareholders’ investments and the interests of all stakeholders.

The composition, attendance for meetings and summary of key activities of the AC, as well as the activities of the External Auditors and Internal Auditors of the Company during the financial year under review are further detailed in the AC Report on pages 77 to 83 of this IAR 2024.

#### II. Risk Management and Internal Control Framework

The Board has ultimate responsibility for reviewing the Company’s risks, approving the risk management framework and policies and overseeing the Company’s strategic risk management and internal control framework to achieve its objective within an acceptable risk profile as well as safeguarding the interest of stakeholders and shareholders and the Group’s assets.

The Group has put in place an ERM Framework which comprises the following elements:

- Provide guiding principles and approach towards risk management;
- Process of identification, assessment, evaluation and management of the various principal risks which affect the Group’s business;
- Creation of a risk-awareness culture and risk ownership for more effective management of risks;
- Regular review, track and report on key risks identified and corresponding mitigation procedures; and
- Regular review the effectiveness of the system of internal control.

The framework is applied to determine, evaluate and manage principal risks of the Group. This is complemented by the system of internal control that is integrated into the Group’s operations and processes.

The Board through the RMC, which comprises a majority of Independent Non-Executive Directors, who reports to the Board on a quarterly basis, reviews the key risks identified to ensure proper management and mitigation of risks.

The RMC, which comprises a majority of Independent Non-Executive Directors, reviews the Group’s risk management framework and risk tolerance for enterprise risks to ensure proper management and mitigation of risks. Using qualitative and quantitative measures, risks are calibrated so that balanced control processes are matched against the strategic objectives of each business unit. The Board, with the assistance of the RMC and AC, undertakes periodic reviews and a formal annual assessment on the adequacy and effectiveness of the Group’s risk management and internal control systems. The RMC reports to the Board on a quarterly basis.

A risk-based audit approach is implemented to ensure that higher risk activities in each auditable area are audited more frequently. This is designed to evaluate and enhance risk management, control and governance processes to assist the Management in achieving the corporate goals. The audits further help to ensure that appropriate instituted controls are in place and effectively applied, and risk exposures are mitigated to an acceptable level in accordance with the Group’s risk management policy.

The details of the Group’s Risk Management and Internal Control Framework are set out in the Statement on Risk Management and Internal Control on pages 84 to 87 of this IAR 2024.

## Corporate Governance Overview Statement

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

#### I. Communications with Stakeholders

The Company recognises the importance of stakeholders' engagement leading to the long-term sustainability of its businesses. The Company is mindful of its obligations to provide material information in a fair and organised manner and on a timely basis to its shareholders. The Company strives to ensure regular, effective and fair communication with its shareholders, and be as descriptive, detailed and forthcoming as possible in disclosing the information and to inform shareholders of changes in the Company or its business which would likely materially affect the price or value of the Company's shares. Price sensitive information, quarterly and full year results announcements are always released through the Bursa Securities on a timely basis for dissemination to shareholders and the public in accordance with the requirements of the MMLR of Bursa Securities.

The Board places importance in ensuring disclosures made to shareholders and investors are accurate, clear, timely and comprehensive as they are critical towards building and maintaining corporate credibility and confidence. As such, the Board has adopted a Corporate Disclosure Policy and Procedures setting out the policies and procedures for the disclosure of material information of the Group. The said Policy and Procedures applies to all Directors, Management, and employees of the Group.

The Group's investor relations activities are aimed at developing and maintaining a positive relationship with analysts, current and potential shareholders through active two-way communication. The Company's website contains dedicated sections on corporate information and financial information which are available for public access at [www.pressmetal.com](http://www.pressmetal.com).

#### II. Conduct of General Meetings

The AGM is the principal forum for dialogue and interaction with shareholders. It provides the opportunity for shareholders to raise questions relating to the proposed resolutions as well as the Group's business operations and affairs.

The Notice of AGM is circulated at least twenty-eight (28) days before the date of meeting to ensure that shareholders are given sufficient time to read and consider the resolutions to be resolved. Notice of the 8<sup>th</sup> AGM was issued to shareholders on 30 April 2024, being more than 28 days in advance of the scheduled AGM which was held on 27 June 2024.

All Directors were physically present at the 8<sup>th</sup> AGM of the Company. During the 8<sup>th</sup> AGM, the Group CEO presented to shareholders various topics, including the Group's 2023 financial and business performance.

The Chairman of the Board ensured that sufficient opportunities were given to shareholders and proxies to raise questions relating to the affairs of the Company and that adequate responses were given.

## Corporate Governance Overview Statement

### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

#### II. Conduct of General Meetings (cont'd)

The Board encourages shareholders' active participation at the Company's AGM and endeavours to ensure all Board members, the Key Operating Management and the Company's External Auditors are in attendance to respond to shareholders' queries. Where it is not possible to provide immediate answers to shareholders' queries, the Board will undertake to provide the answers after the AGM.

All questions raised by the Minority Shareholder Watch Group ("MSWG") and shareholders were addressed during the 8<sup>th</sup> AGM. Subsequent to the 8<sup>th</sup> AGM, these Questions and Answers were published on the Company's corporate website.

In compliance with the MMLR of Bursa Securities, all resolutions set out in the Notice of the 8<sup>th</sup> AGM were voted by poll via an electronic polling system. The Company also appointed an independent scrutineer to validate the votes cast before the poll results is announced by the Chairman of the AGM. The outcome of all resolutions proposed at the 8<sup>th</sup> AGM was announced to Bursa Securities on the even date.

The minutes of the 8<sup>th</sup> AGM detailing the meeting proceedings, including issues and concerns raised by MSWG and shareholders as well as the responses from the Company, was published on the Company's corporate website within 30 business days after the conclusion of the 8<sup>th</sup> AGM.

## DIRECTORS' RESPONSIBILITY STATEMENT

### IN RESPECT OF THE PREPARATION OF THE AUDITED FINANCIAL STATEMENTS

The Board is responsible for ensuring that the financial statements of the Group are drawn up in accordance with the applicable Financial Reporting Standards in Malaysia and the requirements of the Companies Act 2016. The Board is also responsible for ensuring that the annual audited financial statements of the Group are prepared with reasonable accuracy from the accounting records of the Group to give a true and fair view of the financial position of the Group as of 31 December 2024 and of their financial performance and cash flows for the year then ended, and that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are satisfied that the Group has selected and consistently applied suitable accounting policies and made reasonable and prudent judgements and estimates.

The Board is of the opinion that the financial statements have been prepared in accordance with all relevant approved financial reporting standards and have been prepared on a going concern basis.

## ADDITIONAL COMPLIANCE INFORMATION

### 1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

Islamic Medium Term Notes Programme of up to RM5.0 billion in Nominal Value based on the Shariah Principle of Wakalah Bi Al-Istithmar (“Sukuk Wakalah”) (“Sukuk Programme”)

The Company has been issuing Sukuk Wakalah under the Sukuk Programme since 2019, details as follows:

Date of Issuance	Tenure (Years)	Aggregate Nominal Value (RM'billion)
17 October 2019	5 to 10	1.00
17 August 2020	5	0.70
7 December 2021	6 and 7	0.60
18 September 2023	5 and 7	0.50
<b>Total proceeds from the Sukuk Wakalah</b>		<b>2.80</b>
Repayment during FYE 2024		0.55
<b>Net outstanding balances as at 31.12.2024</b>		<b>2.25</b>

The net proceeds from the Sukuk Wakalah issued have been utilised for general corporate purposes, including capital expenditure, working capital requirements, investments and refinancing of existing financing/ borrowings.

The Company did not raise any proceeds from the Sukuk Wakalah during FYE2024.

### 2. AUDIT AND NON-AUDIT FEES

During FYE2024, the amount of audit and non-audit fees paid by the Company and the Group to the External Auditors, KPMG PLT and two (2) firms affiliated with KPMG PLT are as follows:

	Company (RM'000)	Group (RM'000)
Audit services rendered	345	1,882
Non-audit services rendered	25	932
<b>Total</b>	<b>370</b>	<b>2,814</b>

### 3. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors, Chief Executive and major shareholders' interest which were still subsisting as at the end of FYE2024 or which were entered into since the end of the previous financial year.

### 4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The details for the Recurrent Related Party Transactions of a Revenue or Trading Nature transacted pursuant to the Shareholders' Mandate during FYE2024 are stated in Sections 2.3 and 2.4 of the Circular to Shareholders dated 30 April 2025 and Note 31 of the Financial Statements.

## AUDIT COMMITTEE REPORT

The primary function of the Audit Committee is to assist the Board in fulfilling its fiduciary duties as well as providing oversight on the integrity of the Group's financial reporting and its audit processes. The Board of the Company is pleased to present the AC Report which illustrates the insights as to the manner in which the AC has discharged their duties and responsibilities during the FYE2024. This report is prepared in compliance with Paragraph 15.15 of MMLR of Bursa Securities.

### COMPOSITION

The AC comprises four (4) members, all of whom are Independent Non-Executive Directors. This meets the requirements of Paragraph 15.09(1)(a) and (b) of the MMLR of Bursa Securities.

The current composition of the AC is as follows:

Name	Membership	Designation	Date of appointment
Lim Hun Soon @ David Lim	Chairman	Independent Non-Executive Director	18 August 2020
Noor Alina Binti Mohamad Faiz	Member	Independent Non-Executive Director	18 October 2016
Susan Yuen Su Min	Member	Independent Non-Executive Director	16 July 2021
Chong Kin Leong	Member	Independent Non-Executive Director	1 October 2021

The AC is chaired by Mr. Lim Hun Soon @ David Lim who is a member of the MIA and the MICPA. He is also a member of the Chartered Institute of Taxation, United Kingdom and a member of ICAEW. Mr. Chong Kin Leong, a member of the AC, is also a member of the MIA and MICPA.

The AC meets the requirements of Paragraph 15.09(1)(c)(i) of the MMLR of Bursa Securities and the Step-Up Practice 9.4 of the MCCG 2021 by being comprising only independent directors.

### MEETINGS

The AC conducted five (5) meetings during the FYE2024. Details of attendance of the AC members at the AC meetings during the FYE2024 are as follows:

Name of AC Members	No. of AC Meetings Attended	Percentage of Attendance
Lim Hun Soon @ David Lim (Chairman)	5/5	100%
Noor Alina Binti Mohamad Faiz	5/5	100%
Susan Yuen Su Min	5/5	100%
Chong Kin Leong	5/5	100%

The Company has complied with the following requirements and best practices in FYE2024:

Requirements/ Best Practices	Practices of the Company
<b>MMLR of Bursa Securities</b>	
Paragraph 15.09	<ul style="list-style-type: none"> <li>✓ Not less than three (3) members</li> <li>✓ All AC members are Independent Non-Executive Directors</li> <li>✓ All AC members are financially literate</li> <li>✓ No Alternate Director appointed as AC Member</li> </ul>
<b>MCCG 2021</b>	
Practice 9.1	✓ Mr Lim Hun Soon @ David Lim is not the Chairman of the Board
Practice 9.2	✓ The Company has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC
Practice 9.4 (Step-Up)	✓ The AC comprises solely Independent Directors
Practice 9.5	✓ All members are financially literate, competent and are able to understand matters under the purview of the AC including the financial reporting process

## Audit Committee Report

The Chief Financial Officer, External Auditors, Internal Auditors (both from the in-house IA team and professional firm providing outsourced IA services) together with the relevant personnel from Management were invited to attend AC meetings to present their reports and provide updates and developments on issues arising from the audit reports. The AC Chairman thereafter reported the AC's recommendations to the Board for their consideration. He also updated the Board on significant matters discussed during the AC meetings. During the scheduled meetings, the members of the AC also had two (2) private sessions with the Internal Auditors and two (2) private sessions with the External Auditors without the presence of the Management.

Discussions and deliberation at the AC meetings were recorded in the minutes of the AC meetings. Minutes of the AC meetings were tabled to the Board after they are confirmed at each subsequent AC meeting.

In all AC meetings, the Chief Financial Officer was present to report on the results of the Group as well as to answer questions posed by the AC in relation to financial matters and the results.

### **TERM OF OFFICE AND PERFORMANCE**

In order to assess the term of office of the AC members and performance of the AC in accordance with Paragraph 15.20 of the MMLR of Bursa Securities, each of the AC member has performed the annual self and peer evaluation assessment and the results were tabled to the NCGC for review and discussion at the NCGC meeting held on 13 February 2025, prior to presenting the summary reports to the Board for evaluation at the Board meeting held on 26 February 2025. The NCGC and the Board were satisfied with the overall performance of the AC as a whole and the performance of the AC members and confirmed that they have carried out their duties and responsibilities effectively in accordance with the TOR of the AC.

### **CONTINUOUS TRAINING DEVELOPMENT**

The AC acknowledges the importance of continuing education and training to constantly keep themselves abreast with the regulatory changes and developments in the areas related to their duties. The AC members undergo training and attend seminars from time to time to update themselves with the relevant knowledge and skills in order to discharge their duties effectively. The training programmes attended by the AC members during the year under review are set out in the CGOS.

### **TERMS OF REFERENCE**

The TOR of the AC, covering its scope of duties and responsibilities, authority and other relevant matters, is made available on the Company's website at [www.pressmetal.com](http://www.pressmetal.com).

The TOR of the AC was last reviewed and revised and subsequently approved by the Board in August 2023.

### **SUMMARY OF THE ACTIVITIES OF AC**

AC meetings together with the tentative agendas are scheduled in advance of any new financial year to allow the AC members to plan ahead and incorporate the year's meetings into their respective schedules. The agenda and meeting papers are distributed to the AC members via a secured board portal platform, which eases the process of distribution of meeting papers and minimises leakage of sensitive information, as well as enabling the AC members to have access to the papers electronically, anytime and anywhere. This practice also ensures consistency with the Board's and Company's commitment to sustainable practices. All proceedings of the AC meetings are duly recorded in the minutes and are properly kept by the Company Secretary.

## Audit Committee Report

### SUMMARY OF THE ACTIVITIES OF AC (CONT'D)

The main activities carried out by the AC during the FYE2024 were summarised as follows:

#### (1) Financial Reporting

- (a) The AC reviewed and ensured that the unaudited quarterly financial results of the Group complied with the Malaysian Financial Reporting Standards (“MFRS”) and Appendix 9B of the MMLR of Bursa Securities. They reviewed and discussed the unaudited quarterly financial results of the Group with the Management and the External Auditors (where applicable) at the scheduled quarterly AC meetings and recommended the same to the Board for consideration and approval before releasing to Bursa Securities.
- (b) Reviewed the Audited Financial Statements of the Group and the Company for the FYE2024 with Management and External Auditors before recommending to the Board for approval and subsequent tabling at the upcoming AGM.
- (c) Reviewed and made the recommendation to the Board in respect of the proposed dividends after reviewing and considering the solvency test presented by Management. The AC is satisfied that adequate funds were available to pay all debts as and when the debts become due within twelve (12) months after the distribution to the shareholders are made.
- (d) Reviewed the debtors ageing listing with explanation, if overdue.

#### (2) External Audit

- (a) Reviewed, discussed and approved the External Auditor’s terms of engagement, audit planning memorandum of the Group, including the scope of work of the External Auditors to ensure it adequately covers the activities of the Group for the FYE2024 at the meeting held on 22 November 2024. The External Auditors briefed the AC on the newly effective Financial Reporting Standards and regulatory updates.
- (b) Reviewed with the External Auditors the results of the audit, the relevant audit reports and Management Letters together with the Management’s responses and comments to the findings.
- (c) Carried out annual assessment on the performance, suitability, capabilities and independence of the External Auditors based on amongst others, the External Auditors’ competency and audit independence, objectivity and professional skepticism before recommending to the Board their re-appointment and remuneration. The AC also considered the External Auditors’ Transparency Report in the review.

To ensure that the External Auditors’ independence is not impaired, the Audit Engagement Partner in charge of the Company is changed every seven (7) years and is required to observe a cooling-off period of five (5) years before being re-appointed, which is in line with the recommendation by the MIA. Internally, the External Auditors conduct an Independent Partner Review in order to preserve their independence. The External Auditors had also provided written assurance to the AC that in accordance with the terms of all relevant professional and regulatory requirements, they had been independent throughout the audit engagement. The External Auditors confirmed that they have fulfilled their professional and other ethical responsibilities in accordance with the By-Laws (On Professional Ethics, Conduct and Practice) of the MIA and the International Ethics Standards Board of Accountants Code.

- (d) Had private sessions with the External Auditors during the financial year, i.e., on 23 February 2024 and 22 November 2024 respectively without the presence of any executive Board members and Management to ensure there were no restrictions on their scope of audit and to discuss any matters that the External Auditors did not wish to raise in the presence of the Management. During the private sessions with the External Auditors, it was noted that there were no major concerns from the External Auditors and they had been receiving full cooperation from the Management during their course of audit.
- (e) The AC also received sustainability updates from KPMG PLT relation to (i) Bursa Malaysia’s sustainability disclosures; (ii) National Sustainability Reporting Framework; and (iii) the standards issued by International Sustainability Standards Board (“ISSB”).

## Audit Committee Report

### SUMMARY OF THE ACTIVITIES OF AC (CONT'D)

#### (2) External Audit (cont'd)

- (f) The non-audit services provided/ to be provided by the external auditors and their affiliates to the Group have been monitored and approved by the AC. The AC having considered the nature, scope and quantum of non-audit fees, was satisfied that there was no conflict of interest and the non-audit services would not impair the independence and objectivity of the external auditors. The details of the audit and non-audit services rendered by the external auditors and their affiliates for FYE2024 are disclosed in the Additional Compliance Information section of this Integrated Annual Report. The AC reviewed and subsequently the Board approved the Non-Assurance Pre-Approval (“NAS”) which sets forth procedures and conditions whereby permissible NAS provided by KPMG PLT will be pre-approved for the Company and its subsidiaries.
- (g) At the meeting held on 26 February 2025, the AC reviewed and discussed with the External Auditors the status of the audit for the FYE2024 including the issues arising from their audit of the annual financial statements and their resolution of such issues as highlighted in their report to the AC.
- (h) Reviewed and assessed audit focus areas on hedge effectiveness of commodity and foreign exchange hedges conducted by the External Auditor.
- (i) Reviewed and assessed the disclosure of Hedging Reserve with the assistance of KPMG PLT and KPMG Risk Consulting Sdn Bhd.

#### (3) Internal Audit (both in-house and outsourced)

- (a) At the meeting held on 23 February 2024, the AC reviewed the adequacy of the scope, functions, competency and resources of the IA function to ensure its effectiveness and efficiency.
- (b) Overseen the development of the Internal Audit System which includes the digital transformation of in-house IA processes.
- (c) Reviewed and approved the Internal Audit Plan for 2024 to ensure adequate scope and comprehensive coverage over the activities of the Company and the Group, sufficient resources requirements as well as budget of in-house Internal Audit Department to carry out its functions.
- (d) Reviewed and discussed the findings on the IA reports which were tabled during the year, the audit recommendations made as well as the Management’s response to these recommendations and the implementation of the agreed action plan on a quarterly basis.
- (e) Reviewed the progress updates on the follow-up audit review of the previous IA reports and monitored the implementation of mitigating actions taken by Management on outstanding issues to ensure all key risks and control weaknesses are properly addressed.
- (f) Met with the outsourced Internal Auditors and in-house Internal Auditors on 23 February 2024 and 23 August 2024 respectively, all of which without the presence of any executive Board members and the Management for discussion on IA related matters.
- (g) The AC received quarterly updates on whistleblowing from the Internal Auditor who acts as one of the authorised personnel to maintain and monitor the whistleblowing channel. In FYE2024, the Company did not receive any whistleblowing report.
- (h) Reviewed the adequacy of staff resources, trainings and access to information for the in-house Internal Auditors to ensure audit work was carried out effectively.
- (i) The AC evaluated the performance of both the outsourced and inhouse Internal Auditors based on the areas of: (i) understanding; (ii) team resources, skills, experience and performance; (iii) communications; and (iv) overall delivery. The overall performance of both the Internal Auditors has met the AC’s expectations.

## Audit Committee Report

### SUMMARY OF THE ACTIVITIES OF AC (CONT'D)

#### (4) Related Party Transactions

- (a) Reviewed the Related Party Transactions (“RPTs”) and recurrent RPTs (“RRPTs”) on a quarterly basis to ensure that the transactions entered into were at arm’s length basis and on normal commercial terms and not detrimental to the interests of the minority and non-interested shareholders of the Company.
- (b) Reviewed the Circular to Shareholders in respect of the RRPTs prior to recommending for the Board’s approval on 17 April 2024 to seek shareholders’ mandate at the Annual General Meeting of the Company.
- (c) The AC received a review on the RRPT of the Group conducted for the FYE2024 to ascertain that the RRPTs were undertaken on an arm’s length basis and that the transactions under the RRPT mandate are within the annual mandate and approved estimates.

#### (5) Corporate Governance and Regulatory Compliance

- (a) Reported to and updated the Board on significant issues and concerns discussed during the AC meetings and where appropriate, made the necessary recommendation to the Board.
- (b) Reviewed the AC Report, Statement on Risk Management and Internal Control (particularly items related to internal controls), Additional Compliance Information and Directors’ Responsibility Statement in respect of the Audited Financial Statements, prior to recommending for Board’s approval and inclusion in the Company’s Integrated Annual Report. The AC received an assurance from the Group Chief Executive Officer and the Chief Financial Officer of the Company that the risk management and internal control systems of the Group are generally adequate and effective for FYE2024.
- (c) Conducted a self-assessment exercise to evaluate their own effectiveness in discharging their duties and responsibilities.
- (d) Reviewed the internal controls for hedging on a semi-annual basis, with the assistance of the External Auditors. Additionally, Information Technology controls were also reviewed with their assistance.
- (e) Reviewed the external assurance on sustainability review audit by Grant Thornton PLT over 5 selected Key Performance Indicators reported in Sustainability Reporting Disclosures in Annual Report 2023 thereby bringing additional value and credibility to disclosure.

#### (6) Conflict of Interest

- (a) A COI Policy which sets out the processes and disclosure obligations to assist the Directors and key senior management of the Group in identifying, disclosing and managing any potential, actual or perceived COI situation has been reviewed by the AC and adopted by the Board.
- (b) In managing COI, the AC reviewed the COI situations on a quarterly basis that were submitted by the Company’s Directors. The AC assessed the COI situations, including transactions, procedures or courses of conduct that could raise concerns regarding management integrity, together with the measures taken to resolve, eliminate or mitigate such conflicts, as well as ensuring the complete disclosure in the AC Report for the Annual Report.

### INTERNAL AUDIT FUNCTION

The primary role of the IA function is to undertake regular and systematic review of the systems of internal control to provide sufficient assurance that the Group has a sound system of internal control and that established policies and procedures are adhered to.

ESG considerations are also integrated into routine internal audits to ensure alignment with the Group’s sustainability objectives. Auditors assess ESG-related risks and controls as part of their standard audit procedures.

## Audit Committee Report

### INTERNAL AUDIT FUNCTION (CONT'D)

A risk-based audit approach is implemented to ensure that higher risk activities in each auditable area are audited more frequently. This is designed to evaluate and enhance risk management, control and governance processes to assist the Management in achieving its corporate goals. The audits further help to ensure that appropriate instituted controls are in place and effectively applied, and risk exposures are mitigated to an acceptable level in accordance with the Group's risk management policy.

The Group has an in-house Internal Audit Department ("Group Internal Audit") which provides the IA function to the Group. The Group Internal Audit is additionally supported by a professional firm providing specific outsourced IA services, namely Baker Tilly Monteiro Heng Governance Sdn Bhd ("BTMHG") who conducted the independent IA review on the RPTs of the Group. Both Group Internal Audit and BTMHG report directly to the AC and have affirmed to the AC that they are free from any relationships or conflicts of interest in respect of the Group or the Company which could impair their objectivity and independence.

The in-house Internal Audit function is headed by Internal Audit Manager, Mr. William Tu Heng Yew, who has over 15 years of IA experience. He holds a Bachelor of Degree in Business, is a Certified Internal Auditor ("CIA") and a Chartered Member of the Institute of Internal Auditors Malaysia ("IIAM").

The Internal Audit Manager reports directly to the AC. The in-house Internal Auditor carries out its review based on the approved risk-based IA Annual Plan and their main responsibility is to provide an objective and independent evaluation of the adequacy and efficacy of the Group's governance, risk management and internal control.

During FYE2024, the in-house Internal Auditors initiated the development of the Internal Audit System, focusing on digitalisation. The system was rolled out in the first quarter of 2025, with the second phase scheduled for deployment in the fourth quarter of 2025.

The Company has put in place internal controls, guidelines and procedures to ensure that RPTs and RRPTs are entered into on normal commercial terms and on terms which are not more favourable than those generally available to third parties dealing on arms' length basis and are not detrimental to the minority shareholders of the Company. During the FYE2024, the Group Internal Audit developed an audit plan using risk-based approach and carried out the assignments according to the audit plan for the year. The Group Internal Audit performed operational audits on business units of the Group to ascertain the adequacy of the internal control systems and made recommendations for improvement where weaknesses exist in accordance with the Internal Audit Plan approved by the AC. The auditable entities and business processes are as follows:

Name of entity	Auditable areas
Press Metal Aluminium Holdings Berhad	<ul style="list-style-type: none"> <li>Human Resource Management</li> </ul>
Press Metal Bintulu Sdn. Bhd.	<ul style="list-style-type: none"> <li>Power Distribution Department Management</li> <li>Electrolysis Support Management</li> <li>Electrolysis Management</li> <li>Electrolysis Maintenance Management</li> <li>Cast House Production Management</li> <li>Cast House Maintenance Management</li> <li>Accounting and Finance Management</li> <li>Sales and Marketing Management</li> </ul>
Press Metal Sarawak Sdn. Bhd.	<ul style="list-style-type: none"> <li>Cast House Production Management</li> <li>Cast House Maintenance Management</li> <li>Sales and Marketing Management</li> </ul>
Press Metal Aluminium Rods Sdn. Bhd.	<ul style="list-style-type: none"> <li>Admin (Water, Gas and Electric) Management</li> <li>Spare Part Management</li> <li>Maintenance Management</li> <li>Procurement Management</li> <li>Accounting &amp; Finance Management</li> <li>Information Technology Management</li> </ul>
PMB Aluminium Sdn. Bhd.	<ul style="list-style-type: none"> <li>Tooling Management</li> <li>Extrusion Management</li> <li>Finishing, Fabrication and Packaging Management</li> </ul>

## Audit Committee Report

## INTERNAL AUDIT FUNCTION (CONT'D)

Name of entity	Auditable areas
PMB Aluminium Sdn. Bhd. (Johor Bahru branch)	<ul style="list-style-type: none"> <li>• Sales and Marketing Management</li> <li>• Human Resource Management</li> <li>• Inventory Management</li> </ul>
PMB Aluminium Sdn. Bhd. (Nilai)	<ul style="list-style-type: none"> <li>• Sales and Marketing Management</li> <li>• Procurement Management</li> <li>• Inventory Management</li> <li>• Tooling Management</li> <li>• Extrusion Management</li> <li>• Finishing, Fabrication, and Packaging Management</li> <li>• Quality Assurance &amp; Quality Control Management</li> <li>• Production Material Control Management</li> </ul>
Press Metal International Limited	<ul style="list-style-type: none"> <li>• Die Management</li> <li>• Sales and Marketing Management</li> <li>• Quality Control Management</li> <li>• Cast House Management</li> <li>• Product Material Control Management</li> </ul>
Press Metal International Technology Ltd.	<ul style="list-style-type: none"> <li>• Sales and Marketing Management</li> <li>• Production Management</li> <li>• Maintenance Management</li> <li>• Health &amp; Safety Management</li> <li>• Environmental Management</li> </ul>
Press Metal Aluminium Australia Pty. Ltd.	<ul style="list-style-type: none"> <li>• Sales Management</li> <li>• Inventory Management</li> <li>• Accounting and Finance Management</li> <li>• Human Resource Management</li> </ul>

The IA function evaluated the adequacy and effectiveness of key controls in response to risks within the Group's governance, operations and information systems. The areas evaluated included the following:

- Relevancy, reliability, integrity, accuracy, completeness and timeliness of financial and operational information of the Group;
- Adequacy of controls to safeguard the Group's assets;
- Adequacy and effectiveness of the Group's system of internal controls;
- Compliance with policies, procedures, rules, regulations, guidelines, directives and laws by the Group;
- Integrity of risks measurement, adequacy of control and reporting systems and compliance with approved risk management policies and procedures;
- Nature of the RPTs, conflict of interest and potential conflict of interest situation that could raise questions of management integrity;
- Adequacy and effectiveness of the Group's system in assessing its capital in relation to its estimate of risks; and
- Effectiveness of Information System ("IS") in supporting the business activities and the adequacy of controls over IS management, systems development and programming, computer operations and security and data integrity.

The IA function worked collaboratively with the Enterprise Risk Management function to review and assess the adequacy and effectiveness of the risk management processes within the Press Metal Group.

Findings from the IA reviews, including the recommended corrective actions, were discussed with the Management and the relevant head of departments prior to being presented to AC at their scheduled meetings on a quarterly basis.

During the year under review, the in-house Internal Auditors also conducted follow-up reviews of audit findings to ensure that corrective actions have been implemented in a timely manner.

The Internal Audit Manager is supported by ten (10) internal auditors across the Group, all of whom are university graduates and/or members of professional certified bodies. To enhance responsiveness and flexibility in resources allocation, some of the internal auditors are strategically based in China and Malaysia.

The total cost incurred for the IA function of the Group for the FYE2024 was RM1,370,000,000 (FYE2023: RM1,339,000,000).

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

In accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors of public listed companies are required to include in their annual report a statement about the state of risk management and internal control of the listed issuer. The MCCG 2021 requires listed companies to maintain a sound system of internal control to safeguard shareholders' investments and the Group's assets. Set out below is the Board's Statement on Risk Management and Internal Control, which has been prepared in accordance with the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" (the "Guidelines").

This statement does not deal with the associates and joint operation of the Group. Assessments on the adequacy, efficiency and effectiveness of the internal control of the associates and joint operation are performed under the purview of their respective established governing procedures.

## BOARD RESPONSIBILITY

The Board is committed to maintaining both a sound system of risk management and internal control and the proper management of risks throughout the operations of the Group. The Board acknowledges that it is ultimately responsible for the Group's system of internal control including the establishment of an appropriate control environment and framework, which encompass financial, operational and compliance controls, and risk management.

The Board is responsible for ensuring the key risks of the Group are reviewed and managed adequately, as well as evaluating the adequacy and effectiveness of the risk management and internal control system on an ongoing basis. This process has been in place for the financial year under review and up to the date of approval of this statement for inclusion in the annual report.

The Board believes the risk management and internal control system in place are adequate and effective to manage the risk of the Group. In view of the limitations inherent in any process, the Group has established a system of internal control and risk management designed to mitigate the risks that may impede the Group from achieving its objectives. As risks cannot be eliminated completely, the system can only provide reasonable, but not absolute assurance against material misstatements, losses or occurrences of unforeseeable circumstances.

The Board delegates the responsibility of monitoring the system of risk management and internal control to the RMC and AC. Notwithstanding the delegated responsibilities, the Board retains its overall responsibility in the establishment and oversight of the Group's risk management framework and internal control system. The Board recognises that the internal control system are designed to manage and minimise rather than eliminate and avoid occurrences of material misstatements or unforeseen circumstances, fraud or losses.

## RISK MANAGEMENT FRAMEWORK

The Group's ERM framework refers to the ISO 31000:2018 standard and is customised to suit the Group's operating environment, initiatives and processes. The ERM framework is incorporated into the Risk Management Policy, and approved by the Board, to provide a structured and consistent approach to risk management across the Group.

The ERM framework facilitates continuous identification, assessment, management, monitoring and reporting of these risks to provide reasonable assurance regarding the achievement of the Group's business objectives. The framework is subject to continuous review and improvement ensuring it remains aligned with current ERM practices and the Group's overall business strategy.

## Statement on Risk Management and Internal Control

### **Risk Management Committee**

The RMC was established to assist the Board in providing oversight, direction and counsel on the overall risk management process, establishing and reviewing the risk management framework, process and responsibilities as well as assessing whether they provide reasonable assurance that risks are managed within tolerable limits.

The specific duties of the RMC are as follows:

1. Review the adequacy of the scope, function, authority and resources of the Risk Management Department;
2. Provide oversight, direction and counsel to the risk management process to ensure that appropriate risk management policies, framework and processes are implemented;
3. Review the Group's risk profile and ensure that potential significant risks, including ESG risks that are outside tolerable ranges are addressed with appropriate and effective preventive and mitigation actions;
4. Monitor and evaluate the risk profile and risk appetite of the Group;
5. Review and monitor the integration of ESG risks into the Group's risk management framework; and
6. Conduct review of the Group's Risk Management Policy and Framework periodically or in response to an event or change in circumstances.

The RMC holds quarterly meetings to review the key risks and, at the same time, ensure that mitigation plans are in place to manage such risks. Key risks and relevant controls identified for 2024 are as detailed in the Managing Our Risks and Opportunities Effectively on pages 33 to 36. The adequacy and effectiveness of the controls and the robustness of the mitigation actions are also addressed.

The Group recognises the importance of the identification and assessment of ESG including climate-related risks and has included them as part of the Enterprise Risk Management process. This is to strengthen the resilience of the Group in achieving its long-term business objectives amidst the challenges associated including those of climate change. The SC reports to the RMC on sustainability risks as a coordinated approach for the Company's long-term sustainability plan.

The Company has a Risk Management Policy which guides the overall best practice of identifying, evaluating, managing, reporting and monitoring the evolving risks faced by the Group and specific measures to mitigate these risks. The emphasis is to effectively reduce the impact of risks, respond to immediate risk events and recover from any material business disruption to ensure continuity and sustainability of key business activities and achievement of business objectives.

### **Risk Management Department**

The Risk Management Department ("RMD") assists the Board and RMC in discharging their risk management responsibilities. RMD is structured to provide adequate support to the Head Office and Business Units with regard to risk management implementation and monitoring. The RMD is mainly responsible for the following:

1. Outlining the strategic framework to guide the priorities and direction of the Group's risk management activities;
2. Developing the appropriate risk management guidelines;
3. Monitoring risk exposure and tolerance limits across the Group;
4. Providing the necessary guidance and support for the risk management activities of the Group; and
5. Assessing the effectiveness of the preventive and mitigating controls implemented.

The RMD continuously enhances the risk reports with guidance from the RMC members. The Risk Dashboard and Key Risk Indicators are tools that assist the Management and Board members in focusing on the Group's key risks.

## Statement on Risk Management and Internal Control

### INTERNAL AUDIT FUNCTION

#### **Audit Committee**

For the current year, both the outsourced internal auditors and in-house internal auditors assisted the AC to fulfill its responsibilities by conducting internal audits in accordance with audit plans reviewed and approved by the AC. A risk-based approach is adopted via the development of IA policies, establishment of annual audit plans, audit work processes and audit work reporting.

The AC reviewed the adequacy of the scope, functions, competency and resources of the IA function to ascertain its effectiveness in discharging duties assigned. The details on the IA function are further explained on pages 77 to 83 of this IAR 2024.

During the year, the outsourced internal auditors conducted four (4) audits covering one (1) business function and the in-house internal auditors conducted twenty-one (21) audits covering forty-six (46) business functions. The internal auditors also conducted follow up reviews on the implementation status of action plans previously agreed by management.

The results of the internal audits and recommendations for improvement co-developed with Management were tabled at the AC meetings for discussion and assessment. Key and significant issues were reported to the Board by the Chairman of the AC for further deliberation.

### AREAS FOR IMPROVEMENT

A few weaknesses in internal control were identified during the period, all of which have been, or are being addressed. None of these weaknesses resulted in any material errors, losses, contingencies or uncertainties that would warrant a disclosure in the Group's annual report.

### OTHER KEY ELEMENTS OF INTERNAL CONTROL

Apart from risk management and internal audit, the other key elements of the Group's internal control system are described below:

- A management structure with job descriptions and defined lines of responsibilities is in place for all business operating units;
- Six (6) of its subsidiaries have the following accreditation for their operational processes:

<b>PMB Aluminium Sdn. Bhd.</b>	<ul style="list-style-type: none"> <li>• ISO 9001:2015 on Quality Management Systems</li> <li>• ISO 14001:2015 on Environmental Management Systems</li> <li>• ISO 45001:2018 on Occupational Health and Safety Management Systems</li> </ul>
<b>Press Metal International Limited</b>	<ul style="list-style-type: none"> <li>• ISO 9001:2015 on Quality Management Systems</li> <li>• ISO 14001:2015 on Environmental Management Systems</li> <li>• ISO 45001:2018 on Occupational Health and Safety Management Systems</li> <li>• ISO 50001:2018 on Energy Management Systems</li> <li>• IATF 16949:2016 on Automotive Quality Management Systems</li> </ul>
<b>Press Metal Sarawak Sdn. Bhd.</b>	<ul style="list-style-type: none"> <li>• ISO 9001:2015 on Quality Management Systems</li> <li>• ISO 14001:2015 on Environmental Management Systems</li> <li>• ISO 45001:2018 on Occupational Health and Safety Management Systems</li> <li>• ISO 50001:2018 on Energy Management Systems</li> </ul>
<b>Press Metal Bintulu Sdn. Bhd.</b>	<ul style="list-style-type: none"> <li>• ISO 9001:2015 on Quality Management Systems</li> <li>• ISO 14001:2015 on Environmental Management Systems</li> <li>• ISO 45001:2018 on Occupational Health and Safety Management Systems</li> <li>• ISO 50001:2018 on Energy Management Systems</li> </ul>
<b>Press Metal International Technology Ltd.</b>	<ul style="list-style-type: none"> <li>• ISO 9001:2015 on Quality Management Systems</li> <li>• ISO 14001:2015 on Environmental Management Systems</li> <li>• ISO 45001:2018 on Occupational Health and Safety Management Systems</li> <li>• IATF 16949:2016 on Automotive Quality Management Systems</li> </ul>
<b>Press Metal Aluminium Rods Sdn. Bhd.</b>	<ul style="list-style-type: none"> <li>• ISO 9001:2015 on Quality Management Systems</li> <li>• ISO 14001:2015 on Environmental Management Systems</li> <li>• ISO 45001:2018 on Occupational Health and Safety Management Systems</li> </ul>

## Statement on Risk Management and Internal Control

### OTHER KEY ELEMENTS OF INTERNAL CONTROL (CONT'D)

- Review of all proposals for material capital and investment acquisitions by Management prior to the review and approval by the Board;
- A management meeting is conducted on a monthly basis, where all business unit heads present business performance results and key performance indicators, such as product sales analysis and operating cost analysis, while also highlighting significant matters. These performance reports are benchmarked against budget;
- Quarterly review and approval of the Group's financial results by the AC and Board;
- The Group performs an annual budgeting and forecasting exercise. A comprehensive operating capital expenditure requirement is tabled to the Board for approval at the commencement of a new financial year;
- Periodic visits to business operating units by Board members and the management team;
- Quarterly review of the Group's related party transactions by the AC;
- Clearly documented policies including the CoC, CoE, Whistle-Blowing Policy and ABAC Policy which serves as primary guidance on the ethical and behavioral conduct of the Group; and
- Clearly defined terms of reference, authorities and responsibilities of the various committees which include the AC, RMC, NCGC, RC, SC and IC.

Management has taken the necessary actions to remediate the weaknesses identified for the financial year under review. The Board and the Management will continue to monitor the effectiveness and take measures to improve risk management and internal control systems.

### ASSURANCE PROVIDED BY THE GROUP CHIEF EXECUTIVE OFFICER AND GROUP CHIEF FINANCIAL OFFICER

In line with the Guidelines, the Group Chief Executive Officer and Chief Financial Officer have provided assurance to the Board stating that the Group's risk management and internal control system have operated adequately and effectively, in all material aspects, to meet the Group's objectives during the period under review.

For the financial year under review, the Board believes that there were no significant internal control deficiencies or material weaknesses resulting in material losses or contingencies requiring disclosure in IAR 2024. The Board is of the view that the existing system of risk management and internal controls is considered appropriate and adequate to safeguard shareholders' investments, stakeholders' interests and the Group's assets.

Nevertheless, the Board acknowledges that the Group's system of risk management and internal control practices must evolve on an ongoing basis in order to meet the ever changing and challenging business environment. In this respect, the Board will continuously assess and enhance the Group's risk management and internal controls system.

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the MIA for inclusion in the IAR 2024 and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the IAR 2024, in all material respects:

- has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

## **SECTION 5**

## **DELIVERING SUSTAINABLE VALUE FOR OUR STAKEHOLDERS**

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## ABOUT THIS SUSTAINABILITY REPORT

This report marks the ninth annual Sustainability Report (“SR 2024”) of Press Metal Aluminium Holdings Berhad (“PMAH” or “Company”) and its subsidiaries (collectively, “Press Metal” or the “Group”). It provides an overview of the Group’s sustainability initiatives, progress and key activities carried out during the reporting period from 1 January 2024 to 31 December 2024 (“FYE2024”), unless stated otherwise.

SR 2024 should be read alongside the IAR 2024, which offers a broader perspective on Press Metal’s operations and performance. Additional details can be found in sections such as the *Chairman’s Statement, Management Discussion and Analysis by the Group CEO, Corporate Governance Overview Statement, Directors’ Responsibility Statement, Audit Committee Report and Statement on Risk Management and Internal Control.*

### SCOPE AND BOUNDARY

SR 2024 provides an overview of the Group’s sustainability journey and performance, covering operations under direct operational control. This includes the corporate headquarters in Selangor, Malaysia, as well as midstream smelting and casting facilities in Malaysia and downstream extrusion manufacturing facilities, in Malaysia and China.

The scope of this report does not extend to joint investments, including upstream entities, as these operations fall outside the Group’s direct operational control.

#### Midstream



- Press Metal Bintulu Sdn. Bhd. (“PMBtu”)
- Press Metal Sarawak Sdn. Bhd. (“PMS”)
- Press Metal Aluminium Rods Sdn. Bhd. (“PMAR”)

#### Downstream



- PMB Aluminium Sdn. Bhd.\* (“PMBA”)



- Press Metal International Limited (“PMI”)
- Press Metal International Technology Ltd. (“PMIT”)

Note:

\* PMB Aluminium Sdn. Bhd. consists of PMBA Klang, PMBA Nilai 1 and PMBA Nilai 2, unless otherwise stated.

Our upstream entities include Worsley Alumina Unincorporated Joint Venture, PT Bintan Alumina Indonesia, and Shandong Sunstone & PMB Carbon Ltd., Co.

### FRAMEWORKS, STANDARDS AND GUIDES

We have prepared this report to reflect our sustainability approach guided by the following frameworks, standards and guidelines to provide a comprehensive view of our sustainability performance and initiatives:

- MMLR of Bursa Securities
- Bursa Malaysia Sustainability Reporting Guide (3<sup>rd</sup> edition)
- GRI Universal Standards 2021
- UN SDGs
- FTSE4Good Bursa Malaysia Index’s Environmental, Social and Governance indicators
- NSRF
- UNGC Ten Principles
- SASB Sector-Specific Disclosures
- ASI PS v3

### ASSURANCE

Supporting the accuracy and reliability of IAR2024, KPMG PLT has been engaged to provide limited assurance on selected sustainability indicators covering the following areas:

1. Percentage of directors by gender and age group (%)
2. Percentage of operations assessed for corruption-related risks (%)
3. Confirmed incidents of corruption and action taken (number)
4. Total energy consumption (million gigajoules)
5. Number of work-related fatalities (number)
6. Lost time incident rate (rate)
7. Number of substantiated complaints concerning human rights violations (number)
8. Number of substantiated complaints concerning breaches of customer privacy and losses of customer data (number)
9. Scope 1 GHG emissions (kilotonnes of CO<sub>2</sub>e)
10. Scope 2 GHG emissions (kilotonnes of CO<sub>2</sub>e)

Beyond external assurance, an internal audit review has been undertaken to assess sustainability performance data and processes. This internal review acts as a complementary measure, reinforcing efforts to maintain transparency and data accuracy.

### FEEDBACK AND CONTACT POINT

We are committed to continuously improving the quality of our reporting. Your feedback and input are greatly appreciated as we continue to improve our reporting journey. If you have any comments on the SR 2024 or require further clarification, please email: [corpcomm@pressmetal.com](mailto:corpcomm@pressmetal.com).

# OVERVIEW OF OUR SUSTAINABILITY APPROACH

Press Metal is guided by a vision of delivering products that support a sustainable future. We strive to be the best by managing resources responsibly, empowering local communities and employees and upholding strong governance practices. By integrating ESG principles across our operations, we focus on creating long-term value while contributing to the well-being of both people and the planet.



To maximise positive impact across the ESG spectrum, we have established a comprehensive approach through our Group-wide Sustainability Policy. This policy is designed to embed sustainability into every aspect of our operations, with responsible business practices driving long-term resilience and growth. Built on three (3) key pillars, it is further supported by our Environmental Policy and Environmental Mission Statement, which outline our strategies for addressing climate change and minimising environmental impact.



For more information on our Sustainability Policy and our entire suite of policies, visit <https://www.pressmetal.com/investor-relations/corporate-governance.php>.

## EFFECTIVE BOARD OVERSIGHT

Our Board plays a pivotal role in shaping corporate governance standards and policies, providing oversight and strategic direction that guide the Company’s long-term growth. The Group CEO is responsible for executing these strategies, adhering to governance frameworks and implementing policies and procedures that support operational excellence. This balance between oversight and execution helps align business priorities with evolving market conditions and regulatory expectations.

Strong governance is fundamental to maintaining credibility and driving sustainable performance. Embedding transparency, accountability and ethical business practices into our operations cultivates trust, confidence and loyalty among our stakeholders. These principles shape how we engage with investors, customers, employees and the wider community, reinforcing the integrity of our operations.

Beyond compliance, our governance frameworks support responsible decision-making and risk management. Regular assessments and reviews help us adapt to emerging challenges while enhancing operational resilience. Engagement with regulators, industry bodies and stakeholders allow us to stay ahead of governance developments, strengthening our position as a responsible and forward-thinking organisation.

## MEASURED THROUGH CRITICAL MONITORING

Press Metal sets sustainability targets that go beyond financial metrics and encompass operational, safety, environmental, social, and governance factors.



## REFLECTED IN ESG-LINKED REMUNERATION

Our ESG-Linked Executive Incentive Remuneration Framework (“ESG Remuneration Framework”) aligns the remuneration of selected Senior Management personnel with our sustainability targets.

# KEY ESG HIGHLIGHTS 2024

 <b>Governance</b>		
<b>FTSE4GOOD</b> inclusion with 4-star rating	<b>3</b> ASI Performance Standard Certification and	<b>0</b> complaints on data breaches
MSCI ESG Rating 2024 rating upgraded to <b>“AA”</b>	<b>1</b> ASI Chain of Custody Standard Certification	<b>0</b> whistle-blowing instances, including human rights violations
RAM rating for Islamic bonds upgraded to <b>“AA<sub>1</sub>”</b>	<b>51.8%</b> proportion of spending on local suppliers	Approximately <b>RM106.6 million</b> spent on sustainability initiatives
	<b>0</b> identified leaks, thefts, or losses of customer data	

 <b>Environment</b>		
To achieve <b>net-zero emissions</b> by year 2050	Approximately <b>6,100 MT</b> CO <sub>2</sub> e/ year avoided from solar usage	Approximately <b>19,000 MT</b> total aluminium scrap purchased
<b>16.3%</b> reduction in Scope 1, 2, and 3 GHG emissions intensity against our 2020 baseline	<b>20.2%</b> reduction in total water withdrawal intensity from 2016 baseline	Approximately <b>RM29.0 million</b> spent on climate-related initiatives
<b>14.7 MW</b> total solar energy sourced	<b>92.6%</b> waste diversion rate	<b>7,422</b> tree saplings planted

 <b>Social</b>		
<b>0</b> workplace fatalities	<b>50.5 hours</b> of training per employee	<b>83.5%</b> customer satisfaction rate
<b>3.2</b> LTIFR	<b>77.2%</b> employee satisfaction rate	Benefitting approximately <b>1,900</b> direct and indirect beneficiaries
<b>33.6%</b> women in management roles	Approximately <b>2,900</b> volunteer hours by employees	Over <b>RM7.8 million</b> in contributions to the community

## SUSTAINABILITY JOURNEY AND NET-ZERO ASPIRATIONS

2016

- Published inaugural Sustainability Statement in line with Bursa Malaysia Sustainability Reporting Guide

2017

- Adopted and aligned with UN SDGs

2018

- Established sustainability targets to drive our sustainability performance

2024

- Updated our Climate Change Policy
- Exceeded 10% reduction targets for water withdrawal intensity from our 2016 baseline
- Achieved 30% representation of women in managerial roles
- Received accolades at The Edge ESG Awards in the category of Industrial Products and Services
- Launched low-carbon product with lower environmental footprint (i.e., GEM™ aluminium boasts a carbon footprint of less than 4.0 metric tonnes of CO<sub>2</sub>e emissions per metric tonne of aluminium for Scope 1 (direct) and Scope 2 (indirect) emissions, CYCAL™ billet, integrates GEM™ with high content of recycled aluminium)
- Expanded our Scrap Recycling Project
- Leveraged digitalisation, AI, and big data to drive operational excellence
- Received an upgraded MSCI ESG Rating of “AA”

2023

- Exceeded 10% reduction targets for water withdrawal intensity from our 2016 baseline
- Achieved 30% representation of women in managerial roles
- Obtained ASI Performance Standard V3 (2022) certificates for PMBtu and PMS, and ASI Performance Standard V2 (2017) certificate for PMI
- Received an upgraded MSCI ESG Rating of “A”
- Became a TCFD Supporter
- Received accolades at The Edge ESG Awards in the categories of Industrial Products and Services, and Green Transition
- Introduced our Responsible Sourcing Policy and Energy Management Policy
- Introduced Succession Planning Framework

2025

- To reduce our Scope 1, Scope 2, and Scope 3 GHG emissions intensity by 15% from our 2020 baseline
- To reduce our employee turnover rate to 14%
- To achieve average training hours of 50 per person

2026

- To achieve a 95% waste diversion rate

2028

- To reduce our employee turnover rate to 13%
- To achieve average training hours of 52 per person

Note:

Targets for reduction of Scope 3 GHG emissions intensity includes Categories 1, 3, and 4 only.

## Sustainability Journey and Net-Zero Aspirations

2019

- Introduced Group-wide sustainability related policies, including the Environmental Policy, Environmental Mission Statement and Occupational Health & Safety Policy

2020

- Implemented our Anti-Bribery & Anti-Corruption Policy
- Enhanced our sustainability governance structure
- Conducted a lifecycle analysis for our products
- Joined the ASI as a Production & Transformation member
- Established our Carbon Neutral Policy and set GHG Reduction Targets

2022

- Obtained the ASI Performance Standard V2 (2017) certification for PMBtu and PMI (on a provisional basis)
- Included as a constituent of the FTSE4Good Bursa Malaysia Index
- Obtained the SCS Global Recycled Content Certification (80% and 100% Recycled Content)
- Further enhanced our sustainability governance structure
- Received accolades at The Edge ESG Awards

2021

- Aligned our disclosures with the TCFD recommendations and the SASB Framework
- Joined the UNGC and declared our support for the British Malaysian Chamber of Commerce's Climate Action Pledge
- Published an Environmental Product Declaration
- Received an upgraded MSCI ESG Rating of "BBB"

2030

- To reduce our Scope 1, Scope 2, and Scope 3 GHG emissions intensity by 30% from our 2020 baseline
- To reduce our water withdrawal intensity by 10% from our 2016 baseline
- To achieve zero (0) landfill waste
- To reduce our LTIFR to below 1.7

2033

- To reduce our employee turnover rate to 12%
- To achieve average training hours of 56 per person

2050

**To Achieve Net-Zero Emissions**

Note:

The Climate Change Strategy and Net-Zero Roadmap is detailed on pages 135-138 of this SR 2024.

## MESSAGE FROM GROUP CEO

### DEAR STAKEHOLDERS,

**The world is at a defining moment in our collective sustainability journey. In 2024, global mean temperatures have, for the first time, exceeded 1.5°C above pre-industrial levels — an important reminder of the need for climate action. Stricter environmental regulations and evolving sustainability frameworks are not challenges but also opportunities — opportunities to innovate, enhance efficiencies, and reaffirm our commitment to a greener future.**

Sustainability guides who we are and what we stand for. Guided by our vision of providing products and solutions designed for a sustainable future, we have taken significant strides forward. Our introduction of GEM™, a low-carbon aluminium series, embodies our commitment. With greenhouse gas emissions under 4.0 metric tonnes of CO<sub>2</sub>e per metric tonne of aluminium — spanning both direct Scope 1 and indirect Scope 2 GHG emissions — GEM™ reflects our dedication to sustainability through transparency and accountability in our supply chain, paving the way towards a lower-carbon economy.

Yet our efforts extend beyond just our operations. We strive to uplift the communities we touch by promoting cleaner production methods and championing energy conservation. Internally, we have built an inclusive workplace where growth opportunities and sustainability go hand-in-hand, empowering our employees to become active agents of positive change. We have bolstered our responsible business practices, working closely with suppliers to ensure ethical sourcing, thereby enhancing sustainability across the entire value chain. We have strengthened workforce empowerment, cultivating employee participation in sustainability initiatives and fostering a shared culture of accountability and responsibility for achieving our ESG goals.

These actions have brought tangible progress, moving us closer to our ultimate aspiration — becoming a net-zero organisation. Our collaboration with leading institutions continue to amplify and accelerate these efforts. It gives me immense pride to share that, for the third consecutive year, Press Metal remains a constituent of the FTSE4Good Bursa Malaysia Index, a testament to our persistent progress and dedication.

Our journey, however, is far from complete. Sustaining our momentum is crucial. This ninth edition of our Sustainability Report highlights the efforts we have implemented, the initiatives we have championed and the challenges we have addressed throughout the FYE2024. It reflects our ongoing commitment to deliver enduring value not only for today but for generations to come.

### DRIVING ENVIRONMENTAL EXCELLENCE

As we address rising concerns and growing expectations surrounding environmental stewardship and climate action, we must continually strive to minimise our environmental impact. At Press Metal, we have embraced this imperative by refining our climate goals in 2024, shifting our ambition from carbon neutrality to achieving net-zero emissions by 2050.

Our comprehensive strategies include optimising our manufacturing processes, enhancing energy efficiency, actively reducing GHG emissions and transitioning towards greener energy sources. Additionally, we advocate strongly for circular economy principles, consistently seeking opportunities to reuse resources and reduce waste.

We have expanded our GHG emissions reporting to include more of our facilities, integrating Scope 3 indirect GHG emissions into our long-term objectives. In advancing this goal, we have entered into a partnership with XJTU, signing an MoU for a pilot study to develop a Carbon Capture and Utilisation model by 2026 — an innovation set to substantially enhance the sustainability of our manufacturing processes.

Furthermore, by incorporating more post-consumer aluminium products into our production cycle, we are actively decreasing our reliance on raw materials, thus improving resource efficiency and driving our commitment to circular economy practices.

Collectively, these efforts are delivering measurable results. In this year alone, we reduced our GHG emissions intensity (Scope 1, 2, and 3) by 16.3% compared to our 2020 baseline and achieved significant advances in recycling, with over 92% of our waste diverted from disposal. We continue to accelerate our transition to renewable energy, having already installed 14.7 MW of solar capacity, with an additional 6.3 MW underway, targeted for completion by 2025.

Our dedication to resource efficiency includes enhanced traceability of our sourced materials. Reflecting this progress, our PMBtu obtained the ASI ChoC Certification in 2025 and our PMS targets to secure the same certification by 2025. Additionally, we have earned three (3) prestigious ASI Performance Standard Certifications, highlighting our leadership in environmental excellence.

## Message from Group CEO

### CREATING VALUE FOR OUR PEOPLE AND THE WIDER COMMUNITY

We know that achieving our business goals and sustainability objectives depends greatly on our most valuable asset — our people — and the communities we serve. Our employees, whose dedication and talent drive our success, deserve an environment that nurtures, supports and inspires them. Equally, we understand our responsibility to make a positive impact outside our operations, touching lives and uplifting communities in meaningful ways.

Our workplace is built on a foundation of respect, inclusivity and empowerment. We embrace diversity, encourage freedom of expression and champion female leadership at every level of our organisation. These principles are firmly embedded in our Human Rights Policy, Diversity Policy and our CoC.

In 2024, we remained committed to developing talent, enhancing strategies to retain our skilled workforce, expanding opportunities for professional growth and significantly increasing training hours to equip our people for future challenges. We have strengthened succession planning and established career pathways for continuity of leadership and the sustained growth of our organisation. These initiatives reflect our deep commitment to building a resilient, highly skilled and future-ready workforce.

We are also deeply committed to improving lives in the communities around us. Through community investments and our CSR programmes, we actively support initiatives aimed at enhancing local well-being and providing crucial aid to those in greatest need. Our goal is simple — to foster lasting, positive change and to help build stronger, more resilient communities.

Female participation in managerial roles has risen to 33.6%, a clear testament to our progress toward genuine equality. At the same time, our commitment to safety has never been stronger. Leveraging digitalisation, artificial intelligence and big data analytics, we strive to make improvements in our workplace safety metrics, including our Lost Time Injury Frequency Rate and overall safety performance.

### ALIGNING WITH BEST PRACTICES IN GOVERNANCE

We are guided by a clear mission to align our governance and management practices with the global standards. To this end, we have implemented robust measures to ensure our frameworks are consistent with international benchmarks. Our ERM framework adheres to ISO 31000:2018 guidelines, empowering us to effectively identify ESG risks and opportunities and seamlessly embed them into our strategic decisions and operational processes.

Our reporting standards align with global regulatory requirements and internationally recognised frameworks, clearly outlined in the “About This Report” section of SR 2024. Furthermore, we are dedicated to ensuring full compliance with emerging sustainability-related legislation, such as the EECA 2024, strengthening our commitment to improving energy efficiency and reducing our environmental impact. We also wholeheartedly support the introduction of the National Sustainability Reporting Framework and are committed to its comprehensive adoption.

### MOVING FORWARD

We remain dedicated to proactively monitoring and benchmarking our ESG performance. With agility, adaptability and a spirit of innovation, we are prepared to navigate the evolving landscape of regulatory requirements and technological advancements, sustaining continued resilience and strength in our operations.

With our expanding global presence, our sustainability initiatives now embody our vision for lasting change. By leveraging our scale, we set a leading example in sustainability practices within the aluminium sector, contributing to the stability and longevity of our industry.

Our efforts will increasingly focus on accelerating our transition to clean energy and expanding our circular economy initiatives. We aim to further harness digitalisation, driving greater operational efficiency and deepen our stakeholder engagements, reinforcing the strength and impact of our partnerships.

In closing, let me extend my heartfelt thanks to the dedicated Press Metal team, whose dedication and tireless commitment have been instrumental in advancing our sustainability objectives. Your collective efforts have positioned us strongly on our path toward a sustainable future.

**TAN SRI DATO' KOON POH KEONG**

Group CEO

## APPROACH TO SUSTAINABILITY

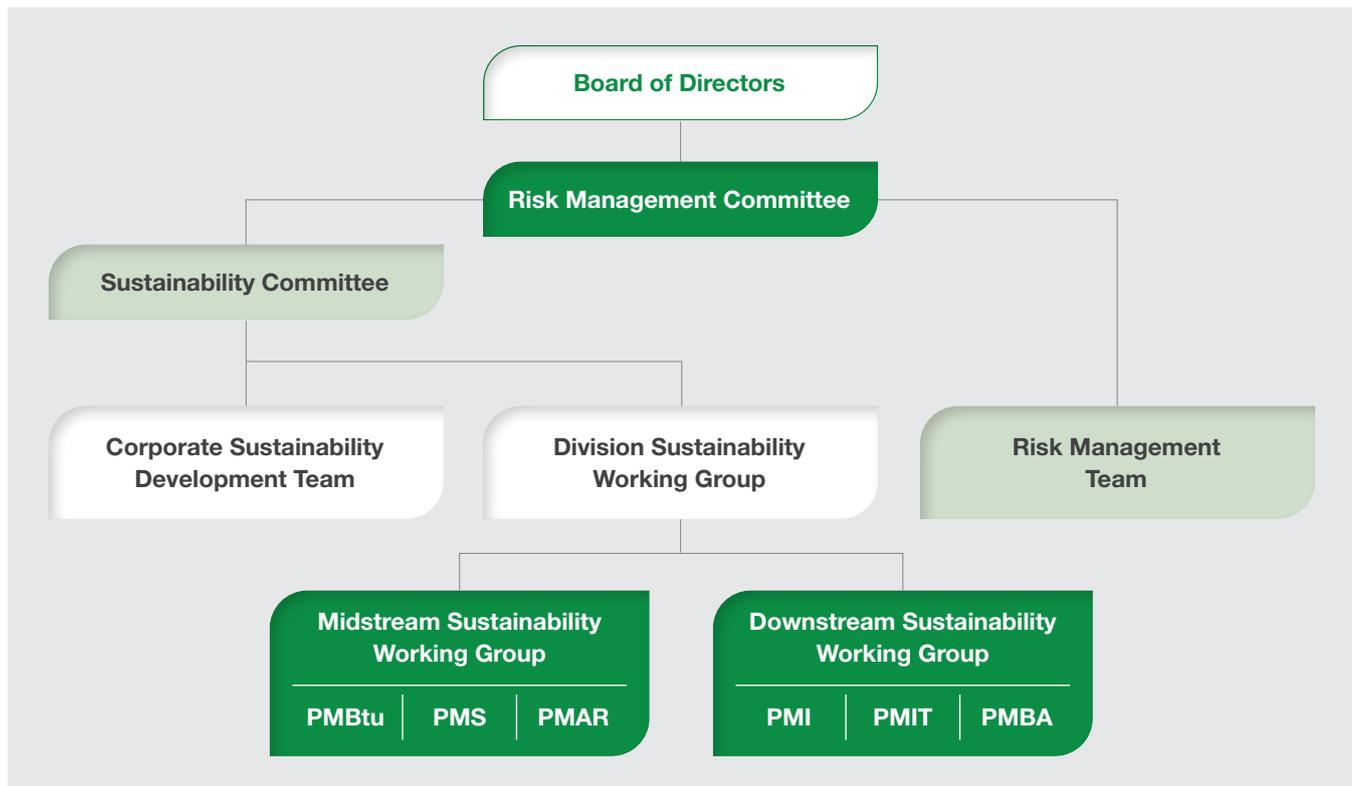
The Board considers sustainable development a fundamental component of the Group's long-term business success. Press Metal is committed to embedding a comprehensive sustainability framework across its operations, reinforcing its focus on responsible and sustainable growth.

Oversight of the Group's sustainability initiatives rests with the Board, ensuring that these efforts support long-term value creation and align with strategic sustainability objectives. A structured sustainability governance framework has been established to strengthen communication and engagement at all levels of the organisation, driving progress towards sustainability goals and fostering a shared commitment to a sustainable future.

To reinforce accountability, the Board continues to implement the ESG Remuneration Framework for selected Key Senior Management personnel, C-Suite members and Heads of Divisions and Departments. This framework directly links ESG metrics to remuneration, aligning leadership incentives with material sustainability matters most relevant to the Group's business and stakeholders.

### SUSTAINABILITY GOVERNANCE

A structured sustainability governance framework has been established to strengthen communication and engagement across all levels of the Group. This framework drives progress towards sustainability objectives and aligns employees with a shared vision for long-term value creation. Sustainability is integrated into business operations, fostering coordinated and purposeful action to maximise positive outcomes.



## Approach to Sustainability

At the highest level, the Board holds ultimate responsibility for sustainability governance and oversight, setting corporate governance standards and policies with the support of the RMC. The RMC manages sustainability-related risks and opportunities, including those linked to climate change and human rights. The Board conducts regular reviews of the Group's risk management and internal control systems, integrating sustainability considerations into these processes. This approach reinforces the Group's commitment to ethics, integrity and corporate responsibility, aligning its strategy with core values and culture. To address material sustainability issues and embed sustainability into operations, the Board is guided by the SC.

Chaired by an Independent Non-Executive Director and comprising the Executive Vice Chairman and two (2) other Independent Non-Executive Directors, the RMC plays a critical role in embedding ESG considerations into the Group's risk management framework. It provides quarterly updates to the Board on sustainability risks and opportunities to ensure appropriate management. The RMC is supported by the Risk Management Team ("RMT"), which is responsible for developing risk management policies and reporting on risk profiles.

At the management level, the SC, led by the Group CEO, formulates and drives sustainability strategies, policies and initiatives. The Group CEO is accountable for the effective execution of sustainability strategies, overseeing sustainability at a strategic level while implementation is driven by management. The SC reports quarterly to the RMC and Board on sustainability initiatives, ESG targets and other significant matters, ensuring alignment with the Group's long-term objectives.

To support these efforts, the CSD Team and various SWGs work closely across the organisation. The CSD Team, based at corporate headquarters, cascades sustainability targets and prepares monthly performance reports for the Group CEO. It also provides technical support to the SWGs, which are responsible for implementing, monitoring and reporting on sustainability initiatives at the operational level. These working groups set entity-specific targets that align with the Group's overarching sustainability objectives.

### **Performance Review, Training and Development**

At its quarterly meetings, the Board receives regular updates from the SC on the Group's sustainability performance, covering key areas including GHG emissions, resource use, safety, diversity, employee well-being and CSR contributions. These updates provide visibility on ESG-related developments and initiatives, enabling the Board to oversee sustainability progress effectively. To stay informed on emerging sustainability issues, the Board also participates in relevant training sessions.



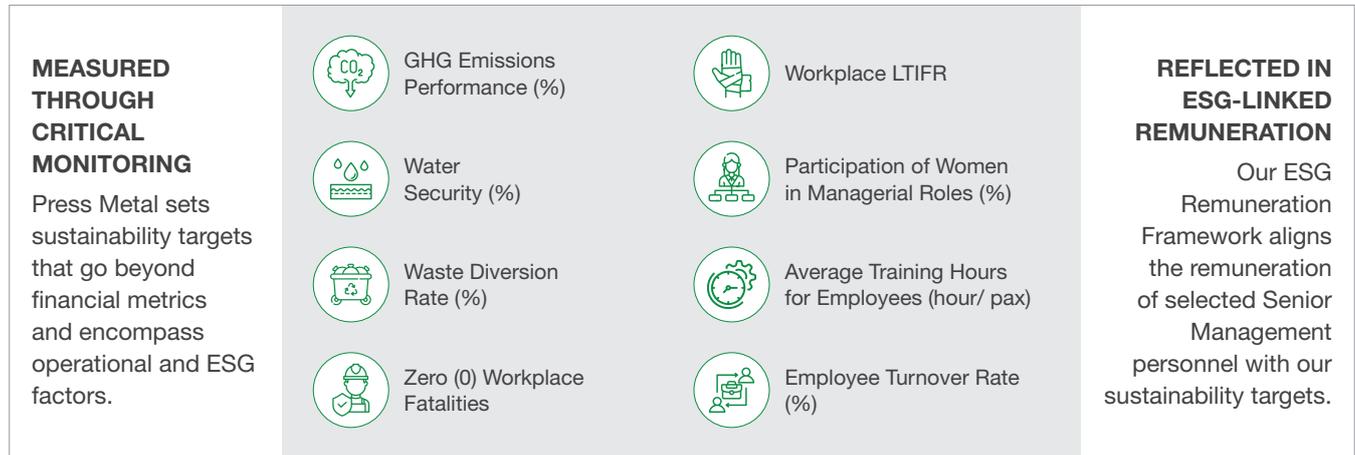
*Read more about the Board's training sessions in the Corporate Governance Overview Statement section of this IAR 2024.*

### **Linking ESG To Remuneration**

Designed to integrate ESG metrics into remuneration components, the ESG Remuneration Framework focuses on material matters most relevant to the Group's business and stakeholders. It also incorporates these ESG metrics into various incentive plans, with Malus and Clawback provisions included to reinforce accountability and alignment with long-term sustainability goals. Performance is assessed using a combination of the balanced scorecard and modifier approaches. The compensation of the Group CEO, a Key Senior Management, and selected Key Operating Management are guided by this framework.

## Approach to Sustainability

By embedding ESG performance into the remuneration structure, the framework strengthens alignment with the Group’s business objectives. This integration reinforces sustainability as a core driver of measurable progress, contributing to long-term value creation for the Group and its stakeholders. The Board also conducted a review of the ESG Remuneration Framework, refining it to better reflect the Group’s evolving ESG commitments. The enhanced ESG metrics now measure:



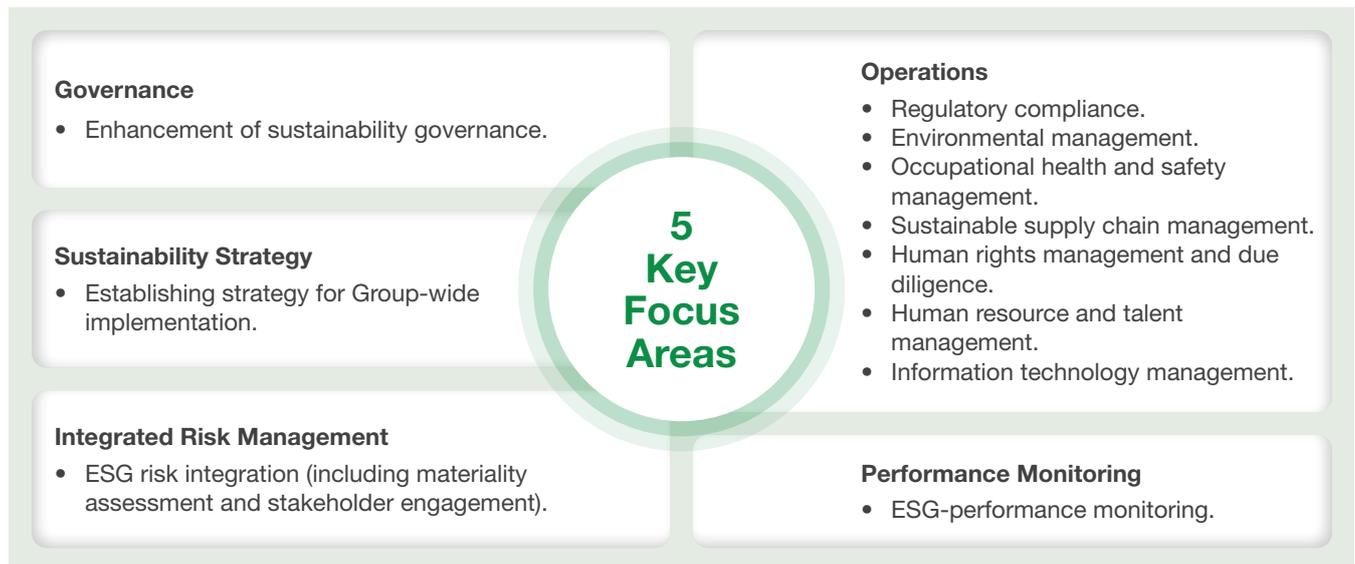
Future plans include expanding this remuneration structure to a broader range of employees, incorporating variations in compensation and levels of accountability associated with different roles.

### SUSTAINABILITY ROADMAP

Sustainability is integral to our core values and we remain committed to achieving a balance in our long-term profitability with the well-being of both people and the planet.

We take a multifaceted approach to sustainability, encompassing the fostering of strong relationships with stakeholders, minimising the environmental and social impacts of our operations, and exploring new market opportunities. With ambitious and measurable goals set for 2030 and 2050, we are dedicated to driving progress in climate action, environmental stewardship, social responsibility, and the circular economy.

Our Sustainability Roadmap was developed through a comprehensive evaluation of our current practices that delineates strategic steps and plans to realise these objectives. As illustrated below, the roadmap spans across five (5) key focus areas.



# SUSTAINABILITY ACHIEVEMENTS



## Upholding Good Governance and Economic Resilience

### UN SDGs



- All manufacturing facilities (100%) are **ISO 9001:2015 certified**.
- Achieved customer satisfaction rates of **82.6%** for our midstream operations and **84.7%** for our downstream operations.
- Implemented **15** Strategic Improvement Projects (“SiPro”) and **46** Improvement Projects (“iPros”).
- Implemented **digital transformation** in our operations through the development of the MES to enhance operational efficiency.
- Attained a **92.4%** participation rate of our total workforce that have attended training on ABAC matters.
- Conducted a total number of **six (6)** ABAC training sessions for our business partners.
- Assessed **57.1%** of our operations for corruption-related risks.
- **Zero (0)** confirmed incidents of corruption reported.
- **Zero (0)** whistle-blowing reports or complaints received.
- Conducted a total of **10,036** compliance training sessions on relevant regulations, policies, and best practices.
- Set up a **Supplier Sustainability Programme**, in partnership with a local financial institution.
- Reported **zero (0)** instances of data or cybersecurity breaches.



## Caring for the Planet

### UN SDGs



- Refined our climate targets, shifting from achieving carbon neutrality to **net-zero emissions by 2050**.
- Introduced **low-carbon aluminium brand, GEM™**, that produced with a carbon footprint of less than 4.0 MT of CO<sub>2</sub>e per MT of aluminium for Scope 1 (direct) and Scope 2 (indirect) GHG emissions.
- Introduced **CYCAL™ billet**, which integrates GEM™ with high content of recycled aluminium, are offered in 50% (CYCAL™ 50) and 80% (CYCAL™ 80) recycled aluminium content respectively.
- Reduced **16.3%** in direct and indirect GHG emissions (Scope 1, 2, and 3) as compared to baseline 2020.
- **Expanded our renewable energy capacity** by acquiring an **additional 1.2 MW of solar power capacity** at PMBA Nilai 2, bringing our total solar energy capacity to 14.7 MW.
- Achieved a **2.1%** reduction in our energy intensity as compared to FYE2023.
- Switched a total of **34** diesel forklifts to electric forklifts to date, leading to a reduction of **820 tCO<sub>2</sub>e** per annum in GHG emissions.
- Increased dross recovery efforts with the addition of **one (1)** dross stirrer.
- Diverted **460 kg** of e-waste from disposal.

## Sustainability Achievements



### Caring for the Planet (Cont'd)

- Approximately **48,000** tonnes of Spent Pot Lining (“SPL”) delivered for co-processing as an alternative raw material.
- Achieved a **20.2%** reduction in our water withdrawal intensity against the 2016 baseline.
- Recorded **zero (0)** incidents of non-compliance in effluent discharge regulations, hazardous waste-handling, and oil spillage.
- Completed a research programme for the development of advanced environmental surveillance systems with approximately **RM380,000** invested.
- Invested approximately RM450,000 in biodiversity initiatives with a total of **7,422** trees planted.
- Obtained **SCS Recycled Content Certification** for our Aluminium Alloy Billet 6R01RC80.
- **Expanded** our post-consumer aluminium scrap recycling capacity to **80,000** tonnes per annum.



### Empowering Our People and Enriching Our Communities

#### UN SDGs



- Recorded **zero (0)** workplace fatalities.
- Embraced digital transformation by implementing an **AI Safety Production Management System** that enhances our Environmental, Health and Safety (“EHS”) processes and fosters a culture of continuous learning and innovation.
- Upgraded **online safety reporting platform** to a mobile application to improve the safety and health management.
- Recorded a total of **123,365** training hours across **3,870** health and safety training sessions, with an accumulated participation of **6,825** employees.
- Recorded **zero (0)** substantiated complaints concerning human rights violations.
- Updated our **Local Community Grievance Management SOP**.
- **Contributed over RM7.8 million** towards CSR events, benefitting approximately **1,900** direct and indirect beneficiaries.
- **Empowered and enhanced** the well-being of our female employees by focusing on areas such as upholding women’s rights, providing a safe and secure workplace for females, conduct of upskilling programmes, and the promotion of diversity and inclusion.
- Recorded an average of **50.5** training hours per employee.
- Recorded **33.6%** women in managerial roles.
- Implemented **succession planning** to ensure continuity in key roles.
- Strengthened **talent pipeline management** through career progression planning.

# SUSTAINABILITY TARGETS AND 2024 PERFORMANCE

## CLIMATE CHANGE

Targets	Target Year
Reduction of GHG emissions intensity (Scope 1, Scope 2, and Scope 3) by 15% from the 2020 baseline	2025
Reduction of GHG emissions intensity (Scope 1, Scope 2, and Scope 3) by 30% from the 2020 baseline	2030
Achieve net-zero emissions	2050

### Performance in 2024

- Reduced our Scope 1, Scope 2, and Scope 3 GHG emissions intensity by 16.3% from our 2020 baseline, reaching 8.6 tCO<sub>2</sub>e/ tAl.

**Notes:**

- GHG emissions intensity 2020 baseline: 10.3 tCO<sub>2</sub>e per tonne of aluminium
- Targets for reduction of Scope 3 GHG emissions intensity include Categories 1, 3, and 4 only

### Strategic Plan

The Group is committed to advancing operational excellence, sustainability and responsible business practices. Efforts will focus on enhancing operational efficiency through technological advancements, driving circular economy principles by investing in external scrap recycling projects and optimising resource utilisation.

To strengthen responsible supply chain practices, the Group will continue to advance the Supplier Management Programme alongside internal capacity enhancement initiatives. Further investment in research and development will support progress in carbon capture and sustainable material management.

## WATER

Targets	Target Year
Reduce our water withdrawal intensity by 10% from the 2016 baseline	2030

### Performance in 2024

- Successfully surpassed our 2030 target, reducing our water withdrawal intensity by 20.2% compared to the 2016 baseline, reaching 2.5 m<sup>3</sup>/ tonne of aluminium.

**Note:**

Water withdrawal intensity baseline: 3.1 m<sup>3</sup> per tonne of aluminium

### Strategic Plan

Efforts will focus on enhancing water conservation through process optimisation, technological upgrades and targeted water-saving initiatives. Innovation will play a key role in reducing our reliance on freshwater, with initiatives such as rainwater harvesting and water recycling being explored to strengthen resource efficiency.

## WASTE

Targets	Target Year
Achieve a 95% waste diversion rate	2026
Achieve zero (0) landfill waste	2030

### Performance in 2024

- Our waste diversion rate reduced by 0.6% from FYE2023, reaching 92.6%.

### Strategic Plan

Innovative and sustainable waste solutions will be explored to improve resource recovery and expand material repurposing for broader applications. Waste recovery efficiency will be enhanced through optimised handling, storage and disposal strategies.

## Sustainability Targets and 2024 Performance

### OCCUPATIONAL HEALTH AND SAFETY

Targets	Target Year	Performance in 2024
Maintain zero (0) workplace fatalities	Ongoing	
Reduce our LTIFR to below 1.7	2030	<ul style="list-style-type: none"> <li>Recorded zero (0) workplace fatalities.</li> <li>18.5% increase in LTIFR compared to FYE2023, reaching 3.2.</li> </ul>

#### Strategic Plan

Advancing hazard detection and risk prevention through advanced technologies is a key focus, fostering a more proactive approach to workplace safety. Strengthening hazard monitoring will entail enhanced incident reporting, thorough root cause analysis, and active employee engagement, thereby establishing a more robust framework for identifying and mitigating risks.

Process safety management will be reinforced through regular safety audits, best practices for hazardous processes and enhanced emergency preparedness, building a more resilient safety culture. Training programmes will continue to evolve, integrating updated materials, mentorship and on-the-job learning with ongoing effectiveness evaluations to drive continuous improvement across all levels of the organisation.

### DIVERSITY AND INCLUSIVITY

Targets	Target Year	Performance in 2024
Increase participation of women in managerial roles to 30%	Ongoing	

#### Strategic Plan

Providing equitable opportunities for professional development and enhancing employee engagement will be the key focus. Efforts will also centre on nurturing an inclusive workplace culture through comprehensive engagement activities, strengthening collaboration and a sense of belonging across the organisation.

### TALENT AND LABOUR MANAGEMENT

Targets	Target Year	Performance in 2024
Reduce our employee turnover rate to 14%	2025	
Achieve average training hours of 50 per person	2025	
Reduce our employee turnover rate to 13%	2028	
Achieve average training hours of 52 per person	2028	
Reduce our employee turnover rate to 12%	2033	
Achieve average training hours of 56 per person	2033	<ul style="list-style-type: none"> <li>Employee turnover rate remains unchanged from FYE2023, at 14.2%.</li> <li>7.9% increase in average training hours per person compared to FYE2023, reaching 50.5.</li> </ul>

#### Strategic Plan

Developing future leaders with strong technical and values-based competencies will be a key priority. Talent retention and growth will be strengthened through competitive rewards, succession planning and targeted development opportunities.

Encourage a culture of collaboration and growth by promoting knowledge sharing and structured development planning. Digital solutions will be leveraged to enhance learning and development programmes, supporting continuous capability building across the organisation.

# UPHOLDING GOOD GOVERNANCE AND ECONOMIC RESILIENCE

## ECONOMIC AND FINANCIAL RESILIENCE

GRI 3-3, GRI 201-1, GRI 201-2, GRI 201-4, GRI 207-1, GRI 207-2

M1

### Capitals

### SDGs

F



### WHY IT MATTERS

?

Economic performance goes beyond financial outcomes, serving as a measure of resilience, adaptability and sustainability in an evolving global landscape. During the year under review, shifts in production, trade policies and market dynamics reshaped the aluminium industry, influencing broader economic conditions and investment decisions.

Malaysia’s economy expanded by 5.1% in 2024<sup>1</sup>, driven by strong export growth, rising domestic demand, and increased investment. Global primary aluminium demand rose by 3% year-on-year to 72.758 million tonnes in 2024<sup>2</sup>. Demand in China grew by 8.2% in the first half of the year<sup>3</sup>, supported by the power and automotive sectors, while demand across North America rose by 5.2% in the first half of 2024, and 4.6% through the third quarter of 2024<sup>4,5</sup>. Aluminium prices remained volatile, influenced by investors’ trading activities and supply uncertainties.

Understanding these interdependencies is critical in an increasingly complex global economy. Local spending patterns, inflationary trends and sectoral shifts continue to intersect with climate risks and evolving regulations, shaping long-term business strategies. By aligning priorities with robust risk management, the Group can reinforce economic stability while strengthening the ability to navigate external uncertainties.

- 1 Bank Negara Malaysia (2025). *Economic and Financial Developments in Malaysia in the Fourth Quarter of 2024*. <https://www.thestar.com.my/business/business-news/2025/02/14/malaysia039s-economy-expanded-5-in-4q-51-in-2024>
- 2 AL Circle (2025). *World’s primary aluminium production grows 3% YoY: key contributing countries revealed*. <https://www.alcircle.com/news/worlds-primary-aluminium-production-grows-3-y-o-y-key-contributing-countries-revealed-113123?srsId=AfmBOorXCP1c9tz1G4c1uvS6m4PyrWQtiBkp4DNlyhim-V9ZPta7x61A>
- 3 Mining.com (2024). *Elevated alumina prices to feed on China aluminum producer profits*. <https://www.mining.com/web/elevated-alumina-prices-to-feed-on-china-aluminum-producer-profits/>
- 4 The Aluminum Association (2024). *Domestic Aluminum Demand Up 5.2% Through First Half of 2024*. <https://www.aluminum.org/news/domestic-aluminum-demand-52-through-first-half-2024>
- 5 The Aluminum Association (2024). *Report Shows Domestic Aluminum Demand Up 4.6% Through Q3 2024*. <https://www.aluminum.org/news/report-shows-domestic-aluminum-demand-46-through-q3-2024>

### OUR APPROACH

...

Our approach to economic performance is built on financial strength, sustainability and responsible growth. By closely monitoring market dynamics, supply and demand trends, pricing movements and technological advancements, we adapt effectively to external influences while pursuing long-term success. We see prudent financial management as a way to strengthen our position and maintain a robust balance sheet and strong cash flow, providing stability in an evolving economic landscape and supporting continued investment in sustainable growth opportunities.

Efficiency across operations is essential to maintain competitiveness. Optimising manufacturing processes, strengthening supply chain management and applying disciplined financial decision-making enhance productivity while keeping costs under control. This integrated approach enables us to navigate market shifts while reinforcing our position in the industry.

We understand that strong governance is critical in achieving these objectives. The Board provides oversight through quarterly reviews of economic performance, assessing alignment with strategic priorities and financial objectives. These reviews provide valuable insights along with informed decision-making on business plans and policies, taking into consideration market conditions, economic trends and emerging opportunities.

## Upholding Good Governance and Economic Resilience

### Ensuring Ethical Tax Governance

A responsible approach to tax governance is fundamental to maintaining transparency and accountability. Our Tax Policy establishes a clear guideline, with oversight from the Board and Audit Committee to reinforce compliance with relevant laws and regulations. Ethical tax practices are embedded into our business operations, aligning with international standards and best practices.

We recognise that tax contributions are vital in supporting government budgets and national development initiatives. Our policies are structured to reflect economic activities in each jurisdiction and tax obligations are met accordingly. We reinforce trust in the way we conduct business, with an understanding that artificial tax arrangements and undisclosed offshore structures with no legitimate business purpose have no place in our operations.

Managing tax-related risks requires diligence. Where complexities arise in tax law interpretation, we seek professional advice from qualified third-party advisors to ensure compliance with evolving regulations. This proactive approach strengthens financial stability while minimising risk exposure.

To uphold ethical conduct, we provide a whistle-blowing platform for stakeholders to report concerns that relate to tax misconduct or illegal activities in good faith. By embedding transparency and accountability into every aspect of tax governance, we build trust with regulators, investors and the communities in which we operate.



Read more about our economic, market and operations updates in the Management Discussion and Analysis by Group CEO section of this IAR 2024.

### OUR VALUE CREATION



We continue to strengthen our financial resilience and positioning for long-term growth. A series of strategic initiatives were undertaken during the year to enhance upstream integration, expand product offerings and support the transition towards a low-carbon economy.

- ▶ Strategic Investment in Alumina Refinery**

In September 2024, we announced an equity participation of 80% in a new alumina refinery, PT KAN in Indonesia. The facility will encompass a refinery plant, power plant, jetty and supporting infrastructure. Phase 1 of the project targeted an annual production capacity of 1 to 1.2 million metric tonnes, with future expansions expected to double this capacity. This development enhances supply chain resilience while supporting long-term growth in aluminium production.
- ▶ Expansion of Value-Added Products**

Expanding VAPs has been a key focus, with VAPs contributing 47.9% of total sales volume in FYE2024, up from 40.6% in the previous year. Growth has been primarily driven by increased demand for wire rods and foundry alloys. Strengthening our product mix aligns with our strategy to enhance competitiveness in key markets while meeting evolving customer requirements.
- ▶ Diversified Extrusion Capacity for High-Growth Sectors**

Extrusion capacity has been expanded by 30,000 metric tonnes per annum to support rising demand in the solar panel and EV industries.
- ▶ Introduction of Low-Carbon Aluminium Series, GEM™ and CYCAL™**

The introduction of our low-carbon aluminium series, GEM™, offers a sustainable solution for industries seeking to reduce their environmental footprint without compromising on performance. GEM™ is produced with less than 4.0 metric tonnes of CO<sub>2</sub>e per metric tonne of aluminium for Scope 1 and Scope 2 GHG emissions. In addition, CYCAL™ billet, which integrates GEM™ with high content of recycled aluminium, are offered in 50% (CYCAL™ 50) and 80% (CYCAL™ 80) recycled aluminium content respectively. The CYCAL™ series offers optimal balance of quality and reduced carbon emissions, further enhancing our commitment to sustainable aluminium production.

## Upholding Good Governance and Economic Resilience

### HOW WE PERFORMED IN 2024



Key Performance Indicator	2022 (RM'000)	2023 (RM'000)	2024 (RM'000)
<b>Economic Value Generated</b>	15,932,209	14,100,888	<b>15,568,833</b>
<b>Economic Value Distributed</b>			
Operating Costs	13,239,470	11,693,419	<b>12,508,521</b>
Contribution to Capital Providers	1,094,503	1,124,878	<b>1,153,719</b>
Employee Wage and Benefits	492,717	512,785	<b>528,920</b>
Contribution to the Government	120,090	66,740	<b>118,433</b>
Community Investment	6,204	6,360	<b>7,856</b>
<b>Value Retained</b>	979,225	696,706	<b>1,251,384</b>



Read more about our economic, market and operations updates in the Management Discussion and Analysis by Group CEO section of this IAR 2024.



Read more about our financial performance and tax contributions for FYE2024 in the Financial Statements section of this IAR 2024.



Read more about our community investments in the Community Management section of this IAR 2024.

Press Metal leverages government incentives and grants that are designed to drive industrial advancement, stimulate innovation and support sustainable business practices. As an example, one of the Group's manufacturing facilities has been awarded Pioneer Status, granting tax exemptions on statutory business income. These incentives serve as enablers for optimising operational efficiency, fostering innovation and attracting investment. Enhancing the Group's competitive position, they facilitate strategic expansion, mitigate market vulnerabilities and contribute to broader economic growth and job creation.

### GOING FORWARD

The global aluminium market continues to expand, driven by economic recovery and the accelerating energy transition. Demand remains strong, yet price volatility will be expected to persist due to tighter market balances and regional energy challenges.

In response, we are advancing our growth strategy with an emphasis on upstream expansion, through alumina refinery investments in Indonesia, including PT BAI and PT KAN. Securing strategic alumina assets remained vital for sustaining aluminium smelting operations, to meet rising global demand and to reinforce our competitive position. Strengthening supply chain resilience while actively managing market dynamics enables us to drive long-term growth and deliver high-value, sustainable solutions to customers.

At the same time, we are integrating circular economy, enhancing resource efficiency and diversifying revenue streams through strategic partnerships. A holistic approach to growth and sustainability supports the creation of lasting value while contributing to broader economic and environmental progress.

# Upholding Good Governance and Economic Resilience

## BUSINESS ETHICS AND CORPORATE GOVERNANCE

GRI 2-15, GRI 2-16, GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-25, GRI 2-26, GRI 3-3, GRI 205-1, GRI 205-2, GRI 205-3, GRI 206-1, GRI 415-1



### Capitals



### SDGs



### WHY IT MATTERS



At Press Metal, business ethics and corporate governance are integral to our operations. By adhering to established robust governance principles and ethical standards, we build trust and confidence among stakeholders, strengthen relationships and foster a positive reputation. These principles also mitigate the risk of encountering legal or financial penalties, reputational harm or other adverse consequences, thereby safeguarding our credibility and integrity.

As a group of companies with global presence, Press Metal is committed to uphold the highest standards of ethics and compliance across our operations and value chain. Maintaining these principles is essential to securing long-term success. Any non-compliance could expose the Group to legal challenges and undermine our ability to operate, making it vital to uphold the integrity of our business at all times.

### OUR APPROACH



#### Instituting Ethical Governance Practices and Policies

Press Metal aims to creating a positive impact through responsible business conduct, underpinned by integrity and high ethical standards. The Board plays a pivotal role in setting corporate governance standards and policies, as outlined in the Board Charter, while the Group CEO oversees the implementation of these policies at the Group level. These policies are then executed at the entity level through appointed management representatives, ensuring alignment with our overarching principles across all operations.

Our commitment to ethical business practices is embodied in a set of policies, including the CoC, CoE, Whistle-Blowing Policy, COI Policy, and ABAC Policy. These policies were designed to foster ethical behaviour, ensure legal compliance, and promote integrity, professionalism, and robust governance across every aspect of our operations.

In addition to the above-mentioned policies, the following have also been established:

Audit & Tax Policy	Diversity Policy	Succession Planning Policy
Sustainability Policy	Corporate Disclosure Policy	Directors' & Key Senior Management Remuneration Policy
Directors' Assessment Policy	Responsible Sourcing Policy	ESG-Linked Executive Incentive Remuneration Framework

All of our policies are publicly accessible on our website: <https://pressmetal.com/investor-relations/corporate-governance>.

#### Code of Conduct and Code of Ethics

The CoC and CoE establish clear expectations for ethical behaviour among directors, management, and employees. The CoC fosters a corporate culture built on accountability, integrity, and fairness, while the CoE offers a structured approach for addressing ethical issues and reporting misconduct, including resolutions for conflict-of-interest situations. Both Codes stress the importance of loyalty and honesty in all actions taken by representatives of the Group. The CoC and CoE were adopted in 2019 and undergo regular reviews, with approved updates published on the Company's website.

## Upholding Good Governance and Economic Resilience

New employees will be introduced to these Codes during their induction, and all staff are encouraged to participate in ongoing learning through an e-learning platform, which is accessible at all times, to reinforce their commitment to these ethical standards. Any illegal or unethical behaviour must be reported to superiors, and violations will be thoroughly investigated. Where violations are confirmed, appropriate actions will be taken.

### **Whistle-Blowing Policy**

The Whistle-Blowing Policy provides a formal, anonymous, and confidential mechanism for both internal and external stakeholders to report, in good faith, any misconduct or illegal activities, including violations of the CoC and CoE, corruption, bribery, and threats to health and safety. The policy also allows for the reporting of allegations or suspected improper activities that breach our standards of integrity and fairness, as well as incidents related to human rights violations and malpractice. The Whistle-Blowing Policy is periodically reviewed to ensure its relevance and alignment with current regulatory standards.

Whistle-blowing report can be made through three (3) designated channels:

- 1 Verbally to the Chairman of the AC, followed by submission of the Whistle-Blower Form;
- 2 Emailing a completed Whistle-Blower Form to [whistleblowing@pressmetal.com](mailto:whistleblowing@pressmetal.com); or
- 3 Sending a completed Whistle-Blower Form to the Chairman of the AC via mail.

Upon receipt of a Whistle-Blower Form, a thorough investigation will be initiated, led by a designated investigator — typically from our internal auditors — unless specific instruction is provided by the Chairman of the AC. The investigator's impartiality and independence are essential to maintaining fairness, credibility and compliance with legal standards throughout the investigative process. On an annual basis, the AC provides the Board with a report on whistle-blowing matters to support transparency.

Stakeholders can utilise the whistle-blowing channels with confidence, as the policy safeguards against retaliation, threats, or intimidation, in line with Malaysia's Whistleblowers Protection Act 2010.

### **Anti-Bribery & Anti-Corruption Policy**

Press Metal maintains a strict zero-tolerance stance towards bribery and corruption. As outlined in our ABAC Policy, this policy defines corrupt practices and mandates comprehensive procedures for risk assessment, employee training and corruption reporting. The AC plays an important role in supporting the Board to ensure adherence to the ABAC Policy, exercising diligent oversight of financial reporting, audits, transactions, conflict of interest issues and risk management. To maintain alignment with regulations, such as the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Act 2018"), the ABAC Policy undergoes periodic reviews, upholding its relevance and robustness.

The Internal Audit Department evaluates the effectiveness of our risk management and control systems, focusing on the areas identified in the annual audit plan. At the entity level, Human Resource ("HR") departments are responsible for the implementation and communication of the ABAC Policy. Each HR department educates staff on the ABAC Policy through a variety of methods, including training sessions, and requires employees to sign a compliance declaration, backing their commitment to upholding anti-corruption standards.

Any non-compliance or identified risks must be reported promptly to management and the AC. Depending on its severity, non-compliance may result in staff termination, contract termination for external parties, or legal action if the Group's interests are harmed. Proven instances of bribery or corruption will be referred to the relevant authorities. Stakeholders are encouraged to report any suspected violations promptly through the Group's Whistle-Blowing channels.

### **Anti-Bribery & Anti-Corruption across our Operations**

Press Metal enforces strict internal controls through a multi-level approval process, including a three (3)-tier financial transaction review. This control system involves the performer, checker and approver, enhancing integrity and transparency in all financial decisions. This approach provides an important check-and-balance mechanism, enabling the prompt identification and addressing of potential corruption-related risks.

Our commitment extends beyond internal processes and procedures to encompass proactive risk management across our supply chain. Our ABAC Policy applies to all third-party providers, as outlined in our Supplier Code of Conduct ("SCoC"), with expectation for compliance for all suppliers, consultants, contractors and service providers. The Purchasing Department is responsible for overseeing compliance, investigating non-compliance and monitoring corrective actions. Where lapses are found, unresolved issues may potentially lead to a reassessment or termination of supplier relationships.

## Upholding Good Governance and Economic Resilience

### ***Conflict of Interest Policy***

The COI Policy applies to all directors, Key Senior Management, and Key Operating Management of the Group. It mandates the prompt disclosure of any conflict of interest, such as personal involvement in projects or contracts, to ensure transparency and accountability. This policy is aligned with our broader internal governance framework, promoting a culture of honesty, strong governance, and adherence to ethical standards across the organisation.

### ***Sponsorship, Donations and Political Contributions***

As an apolitical publicly listed company, we maintain neutrality in political matters while actively supporting Malaysian government initiatives that promote progress and innovation. This includes alignment with the MADANI economic framework and the National Energy Transition Roadmap, which aim to drive national objectives in economic growth, technological advancement and sustainable development.

Proposals for donations or sponsorships related to social causes are required to be impartial, ensuring they do not influence business decisions or serve as a form of improper payment. All contributions must receive approval from two (2) Executive Directors, be thoroughly documented, comply with legal standards and transparent for public disclosure.

### ***Mergers and Acquisitions Policy***

Our Mergers and Acquisitions (“M&A”) Policy establishes clear protocols for engaging with potential investee companies, ensuring that partnerships are built on shared values and aligned objectives. The evaluation process encompasses compliance with applicable laws and regulations, alongside assessments of both financial and non-financial risks, including bribery, corruption and other financial offences.

As part of the due diligence process, comprehensive ESG assessments are conducted to determine the sustainability maturity of prospective investments, alongside background checks, document verification, and evaluations of bribery-related risks. Additionally, contractual clauses may be incorporated to allow for termination if issues such as bribery or corruption are identified and not adequately remedied.

### ***Closure, Decommissioning and Divestment Plan***

Our Closure, Decommissioning and Divestment Plan guides the decommissioning of redundant facilities and infrastructure across operations where Press Metal holds a controlling interest. Our divestment policies, however, are not applicable for investments where management control or decision-making authority resides outside our purview, where we have no boundaries of influence.

In line with our commitment to responsible business practices, the plan articulates guidelines for restoration of land to a usable condition. Likewise, the plan establishes protocols for engaging with government agencies and local communities, fostering transparent dialogue and mutual respect. These communication protocols are designed to keep the stakeholders informed and involved throughout the closure or decommissioning phases.

### ***Rotation of Audit Firm and Audit Partner***

To maintain independence and objectivity, we have implemented Statutory Auditors and Statutory Audit and Non-Audit Services Framework (“Statutory Auditor Framework”) which includes the following provisions:

- Regular rotation of the lead audit partners and consideration of the necessity of a regular rotation of the audit firm; and
- Audit Committee is responsible to assess the performance, suitability and independence of our external auditors.

Additionally, we have established a requirement for the lead audit partner and quality control partner to rotate every seven (7) years and observe a cooling-off period of five (5) years, aligning with current professional standards set by the Malaysian Institute of Accountants.

## Upholding Good Governance and Economic Resilience

### OUR VALUE CREATION +

In upholding good business ethics and corporate governance, Press Metal integrated key policies and frameworks such as CoC, CoE, Whistle-Blowing Policy, COI Policy, and ABAC Policy across our operations.

These guiding principles were embedded into our policies and procedures such as Responsible Sourcing Policy, SCoC, and Procurement Standard Terms and Conditions were extended to our suppliers, promoting ethical and responsible practices across our entire value chain. Comprehensive training materials on these policies are made accessible through our website and/ or e-learning platform, to keep our stakeholders informed and to seek guidance when required.

This approach has underscored our dedication to ethical business conduct and has fostered a culture of openness, compliance, and continuous improvement. Through the incorporation of these policies into our procedures and processes, we enable our employees and stakeholders to engage in business dealings with integrity and transparency.

### HOW WE PERFORMED IN 2024 ▾

Key Performance Indicator	2022	2023	2024
Operations assessed for corruption-related risks	57.1%	71.4%	<b>57.1%</b>
Employees who have received training on anti-corruption	79.3%	98.3%	<b>92.4%</b>
i. Senior Management	68.8%	70.9%	<b>84.0%</b>
ii. Management	77.0%	73.1%	<b>91.8%</b>
iii. Executive	63.7%	97.5%	<b>92.9%</b>
iv. Non-Executive	81.5%	99.5%	<b>92.4%</b>
Total number of ABAC training sessions conducted for business partners	0	5	<b>6</b>
Number of confirmed incidents of corruption and action taken	0	0	<b>0</b>
Number of whistle-blowing reports or complaints received	0	0	<b>0</b>

Notes:

1. FYE2022 and FYE2023 contained the aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024 contained the aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.



#### Zero (0)

cost of fines, penalties, or settlements in relation to corruption in FYE2024.

In FYE2024, we did not receive any whistle-blowing reports and had zero (0) incidents of corruption, demonstrating our commitment to a zero-tolerance approach to bribery and corruption. Additionally, we did not dismiss any employees or terminate contracts with any business partners in FYE2024 due to unethical behaviour.

We maintain our commitment to assessing corruption-related risks within our operations. In FYE2024, 57.1% of our manufacturing operations were evaluated, compared to 71.4% in FYE2023 due to new additions of manufacturing plants under PMBA, namely, the PMBA Nilai 1 and PMBA Nilai 2. Both the manufacturing plants under PMBA, along with two (2) existing plants in China, are scheduled for corruption-related risks evaluation in FYE2025.

### GOING FORWARD

Moving forward, we will continue to focus on increasing awareness through training and e-learning initiatives as well as to continuously implement stringent internal controls, rigorously oversee business procedures, and maintain high standards of integrity and transparency across all operations.

# Upholding Good Governance and Economic Resilience

## COMPLIANCE REPORTING AND DISCLOSURE

GRI 3-3, GRI 2-27

M3

### Capitals



### SDGs



### WHY IT MATTERS



Ensuring compliance with applicable laws and regulations stands pivotal to Press Metal’s commitment to upholding the integrity of our operations and embedding responsible business practices. Adhering to both local and international regulatory frameworks, we safeguard our esteemed reputation by mitigating legal risks and avoid financial penalties. This disciplined approach fortifies our operational foundation and fosters a secure business environment.

Our compliance management enables us to identify and address potential risks. Aside from risk mitigation, it fosters trust among stakeholders — encompassing customers, investors, employees, and regulators. In integrating compliance into our corporate culture and decision-making processes, we ensure that our business activities are legally sound and conducive to long-term success.

### OUR APPROACH



#### Establishing Compliance Management

We adhere to the local and international laws and regulations that govern our business operations. Key laws and regulations that we comply with in our areas of operation include, but are not limited to:

#### Malaysia

- Capital Markets and Services Act 2007
- Companies Act 2016
- Employment Act 1955
- Environmental Quality Act 1974
- Bursa Malaysia’s MMLR
- Occupational Safety and Health (Amendment) Act 2022

#### China

- Civil Code of the People’s Republic of China
- Environmental Protection Law of the People’s Republic of China
- Labour Law of the People’s Republic of China
- Law of the People’s Republic of China on Work Safety

Press Metal embraces governance frameworks, including the MCCG 2021, Bursa Malaysia’s Sustainability Reporting Guide 2022 (3<sup>rd</sup> Edition) and IFRS S1 and S2 Standards (IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures). These standards set the foundation of our robust governance framework, enabling us to address risks including climate-related risks and opportunities, reinforcing our commitment towards sustainable governance.

Within the Group, each entity is supported by adequate legal resources (internal/ external), tasked with overseeing compliance with legal obligations. These legal departments are responsible for monitoring legal requirements, maintaining up-to-date legal registers, and disseminating relevant legal updates through memos and/ or electronic platforms. Any legal updates will be incorporated into entity-specific policies and/ or operational procedures to ensure compliance.

## Upholding Good Governance and Economic Resilience

Complementing these efforts, we sustain employee awareness through regular training programmes, fostering a culture of informed and proactive adherence to compliance standards. Focusing on continuous learning and improvement help us minimise the risk of recurrence and maintain the highest compliance standards.

In addition, site inspections and internal audits are conducted periodically to minimise risks and mitigate potential legal penalties. Further enhancing our governance framework, we engage third-party audits to provide independent and objective evaluations of our processes, ensuring impartial scrutiny. We fulfill our regulatory reporting obligations to maintain transparency with authorities and where instances of non-compliance occur, a corrective action plan is promptly developed and implemented.

 [Read more on our corporate policies in the Business Ethics and Corporate Governance section of this IAR 2024.](#)

### Adoption of Management Systems Certification

Each of our manufacturing facilities has successfully obtained various management system certifications, demonstrating our commitment to maintaining the highest standards in operational management and dedication to operational excellence and regulatory compliance.

<b>ISO 9001:2015 Quality Management Systems</b>	     
<b>ISO 14001:2015 Environmental Management Systems</b>	     
<b>ISO 45001:2018 Occupational Health and Safety Management Systems</b>	     
<b>ISO 50001:2018 Energy Management Systems</b>	  
<b>IATF 16949:2016 Automotive Quality Management Systems</b>	 

*Note:*  
 PMBA has recently commenced two (2) new operation entities (i.e., PMBA Nilai 1 and PMBA Nilai 2). These newly established entities are actively working towards obtaining these certifications. In FYE2024, both PMBA Nilai 1 and PMBA Nilai 2 are ISO 9001:2015 certified.

### Management of Environment Impact

Press Metal had undertaken an Environmental Impact Assessment (“EIA”) and developed an Environmental Management Plan (“EMP”) to manage our operations responsibly and sustainably. The EIA provided a comprehensive evaluation of the potential environmental impacts associated with our projects and supported informed decision-making and adherence to all relevant regulations. Built on the findings of the EIA, the EMP outlines procedures for monitoring and managing the identified environmental impacts arising from our operations.

## OUR VALUE CREATION

### Business Matching Event

The MyEIP Business Matching Session, organised by SIRIM Berhad, provided a valuable platform for companies to explore advancements in sustainable technologies, including wastewater treatment, carbon capture, and renewable energy. During our participation, we engaged with industry experts, technology providers, and stakeholders, to foster collaboration on innovative solutions, to stay informed of the latest sustainable practices and technologies to advance our sustainability objectives.

## Upholding Good Governance and Economic Resilience

### Regulatory Engagement

Press Metal's regulatory engagement is anchored in a proactive and collaborative approach by fostering regular dialogue with authorities to remain adapted to evolving requirements and ensure alignment with the latest standards. For example, our engagement with the Economic Planning Unit Sarawak on the Post Covid-19 Development Strategy 2030 Roadmap allowed us to gain valuable insights and identify future opportunities in Samalaju. This strategic engagement enabled our operational and growth strategies to harmonise with regional development priorities, regulatory mandates, and sustainability requirements. Through meaningful and strategic partnerships, Press Metal is positioned to contribute to both local and national development objectives.

### Employee Awareness and Compliance Training

Press Metal conducted training sessions for all employees, which focused on policies, legal requirements, and industry-specific regulations. These training sessions equipped our workforce with the necessary knowledge and skills to maintain compliance and foster a culture of accountability and integrity throughout the organisation.

In FYE2024, the Group conducted a total of 10,036 compliance training sessions across a range of critical topics, including but not limited to:



To strengthen governance and risk management, our IA team has also pursued ESG-related training, equipping them with expertise in sustainable auditing practices. Through ongoing learning and development, we ensure our workforce remains informed, compliant, and aligned with industry best practices.

### HOW WE PERFORMED IN 2024



A proactive approach to environmental sustainability is maintained through ongoing monitoring and continuous enhancement of mitigation measures to prevent regulatory non-compliance.

During FYE2024, an internal legal compliance assessment by PMI identified an issue which was voluntarily reported to the relevant authorities. Immediate corrective actions were taken in close coordination with regulators, with all procedures subsequently approved and accepted.

Despite these efforts, two (2) instances of non-compliance with local regulations were recorded, resulting in fines totalling approximately RM20,900.

### GOING FORWARD

Press Metal is committed to regulatory compliance and acknowledges the challenges and opportunities presented by evolving regulatory environments. The Group continuously monitors developments across relevant jurisdictions, integrating compliance considerations into strategic planning to mitigate risks, increase transparency, and foster stakeholder trust.

Efforts to enhance internal systems for accurate data collection and transparent reporting, in line with global standards, are ongoing. Press Metal will also collaborate closely with regulatory bodies to ensure early adaptation to emerging sustainability-related laws and regulations, including Malaysia's NSRF, the EECA 2024, and the upcoming carbon tax in 2026.

Moving forward, the Group will focus on reducing emissions through energy efficiency measures, integrating renewable energy solutions, and exploring opportunities in the carbon credit markets, ensuring both sustainable and compliant operations.

## Upholding Good Governance and Economic Resilience

### RESPONSIBLE SOURCING

GRI 3-3, GRI 204-1, GRI 308-1, GRI 308-2, GRI 407-1, GRI 408-1, GRI 409-1, GRI 414-1, GRI 414-2

M4

#### Capitals



#### SDGs



### WHY IT MATTERS

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As SEA's largest integrated aluminium producer, we play a pivotal role in advocating responsible procurement practices to build a sustainable value chain. This involves making ethical, well-considered decisions when sourcing goods and services, while also partnering with local procurement entities to drive economic growth. Through prioritising ethical sourcing, we support fair labour practices, environmental conservation, and community development.

Adopting responsible and sustainable supply chain management not only creates new opportunities but also fosters innovation through supplier collaboration. This approach ensures long-term success in a dynamic and conscientious market, positioning us for sustained growth and positive impact.

### OUR APPROACH

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#### Establishing Responsible Sourcing Standard

At Press Metal, we embed responsible and sustainable practices throughout our value chain — from the procurement of raw materials to the delivery of high-quality finished products to our customers. Our expectation is aligned with our sustainability standards, which we articulate to our network of suppliers, contractors, service providers, and consultants (collectively referred to as “suppliers”). We firmly believe that sustainability is a collective responsibility, one that requires active engagement and alignment from all stakeholders across our ecosystem.

Our Responsible Sourcing Policy outlines our commitments and standards when dealing with suppliers, such as business practices, legal compliance, and human rights. In tandem with this, clear expectations for all our suppliers in supporting and respecting labour and human rights, including the right to freedom of association and collective bargaining, freedom from forced, compulsory or child labour, fair and equal treatment, reasonable working hours and a safe and healthy work environment, have been set out in the SCoC. The SCoC is available in two (2) languages, i.e., English and Chinese, with the English version uploaded to our corporate website: <https://www.pressmetal.com/investor-relations/corporate-governance.php>.

We prioritise partnerships with suppliers who demonstrate a commitment to ESG practices and adopt continuous improvement in their manufacturing processes. This includes prioritising procuring lower carbon raw materials, in our effort to reduce the carbon footprint throughout our value chain.

In promoting responsible procurement awareness, we host training sessions for internal staff and external stakeholders, fostering an understanding of sustainable supply chain management. These efforts allow all parties to remain well-equipped and aligned with our dedication to ethical and responsible procurement.

#### Building Resilient and Sustainable Supplier Ecosystems

Press Metal has established a robust Supplier Management Programme to promote ethical conduct, sustainability, and transparency throughout our supply chain. This programme is built upon the guidance of the Organisation for Economic Co-operation and Development (“OECD”) Due Diligence Guidance (“DDG”) for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (“CAHRAs”).

#### Elements of Supplier Management Programme



## Upholding Good Governance and Economic Resilience

Adhering to its five (5)-step protocol, we systematically identify and manage risks associated with CAHRAs, while integrating robust ESG criteria into our assessments.

Under our Supplier Management Programme, suppliers of our midstream entities are categorised into three (3) groups — mineral-related, non-mineral-related, and service providers — each subject to varying levels of scrutiny and assessment.

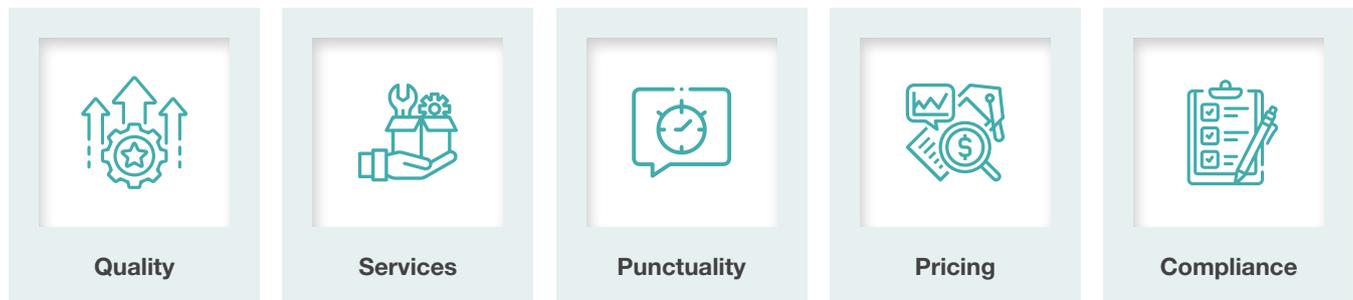
The process begins with a self-assessment questionnaire that evaluates suppliers across multiple ESG factors, including human rights, labour standards, environmental performance, and anti-corruption measures. This is followed by a desktop review conducted by our appointed auditors, a dedicated Purchasing Audit Team (“PAT”), comprising members from our Purchasing, Sustainability, and Internal Audit departments, to assess the supplier’s ESG risk profile.

Should a supplier’s ESG risk assessment fall below our required standards, we will perform additional audits, including on-site inspections and in-depth due diligence. Full cooperation from suppliers is mandated, as stipulated in our Responsible Sourcing Policy. Senior management is kept updated on the progress of the audits and makes the final decision regarding supplier approval or suspension, based on the auditors’ recommendations.

Where areas of improvement are identified, we collaborate closely with suppliers to devise time-bound action plans, where we monitor diligently to drive progress. Throughout this process, we provide ongoing support, reflecting our commitment to advancing a collaborative and resilient supplier ecosystem. In instances where suppliers fail to meet time-bound action plans, we follow the recommendation from the OECD’s DDG for CAHRAs and the ASI Performance Standard Guidance for the courses of action:

- Continue trading while implementing measurable risk mitigation strategies;
- Temporarily suspend trade while actively pursuing ongoing risk mitigation efforts; or
- Disengage entirely if risk mitigation proves ineffective, infeasible, or unacceptable.

In addition to these responsible sourcing assessments, all new and existing suppliers undergo annual evaluations based on five (5) key criteria:



### OUR VALUE CREATION



#### Enhancing Supply Chain Traceability

Press Metal has strengthened supply chain traceability by tracking the materials origin, supplier sourcing practices, and conversion processes through our Supplier Self-Assessment Questionnaire (“SSAQ”). Through this self-assessment, we were able to assess our suppliers’ performance and select credible suppliers. Through traceability, we were able to mitigate potential risks within the supply chain and enabled accountability at every stage of material flow.

As part of our traceability efforts, procurement of mineral-related materials such as alumina, mandates the identification and verification of material origins, ensuring that alumina is responsibly sourced and free from any association with CAHRAs.

In addition, our Vendor Data Management Project launched in FYE2023 — a digital centralised platform that consolidates vendor information — continued to streamline supplier selection and facilitate efficient comparison of procurement quotations and product offerings, to drive greater supplier traceability.

## Upholding Good Governance and Economic Resilience

### Driving Local Economic Growth Through Strategic Supplier Partnerships

We are dedicated to strengthening the local economies in our operational areas by prioritising partnerships with local suppliers whenever possible. This approach not only creates job opportunities within local communities but also drives economic growth. Collaborating with local partners yields benefits, including reduced lead times, enhanced communication, development of local skills, and greater supply chain agility — attributes that strengthen both our operations and the communities we serve.

In partnership with our financial institution partner, Alliance Bank, we have launched the Supplier Sustainability Programme, offering suppliers a complimentary ESG assessment including climate assessment. Participating suppliers receive a detailed rating, a climate maturity report, and, where applicable, a tailored action plan. Alliance Bank, leveraging on the insights, provides access to sustainability-linked or green financing options, preferential rates, connections to green solution providers, as well as other targeted services such as training and advisory services. This programme empowers suppliers to adopt sustainable practices, heightens ESG awareness, and unlocks cost efficiencies through energy-saving and renewable solutions. Press Metal, as a collaborating partner, will receive valuable insight to identify areas for supplier improvement, fostering collaboration and driving sustainable growth across our supply chain.

### Enhancing Supply Chain Sustainability through Bursa Malaysia's CSI Platform

Press Metal has adopted Bursa Malaysia's Centralised Sustainability Intelligence ("CSI") Platform, in our effort to advance supply chain sustainability. Aligned with Malaysia's corporate sustainability landscape and the Joint Committee on Climate Change's Greening Value Chain programme, this platform provides tools to measure GHG emissions (Scope 1, 2, and 3). It also enables pinpointing high-emission hotspots, enabling Press Metal to encourage suppliers to enhance their ESG performance while facilitating climate reporting consistent with global frameworks such as IFRS S1 and S2.

The CSI Platform delivers a variety of benefits, including streamlined ESG reporting, comprehensive insights into Scope 3 emissions, access to green financing opportunities, heightened stakeholder visibility, a centralised ESG data repository, and access to global markets.

### Building Internal Capacity and Strengthening Supplier Awareness

Press Metal periodically engages suppliers through training on responsible sourcing practices and governance policies, including our ABAC Policy and Responsible Sourcing Policy. These sessions are designed to reinforce awareness of our business practices and expectations, ensuring alignment with our commitment to ethical procurement across the supply chain. To deepen supplier's awareness, we provide targeted training programmes including climate change and human rights obligations, cultivating a culture of adherence to our responsible sourcing standards.

In FYE2024, we invited our suppliers to participate in several notable workshops, including a climate resilience and sustainability session hosted by the UNGC Malaysia & Brunei, a GHG emissions workshop by Malaysian Green Technology and Climate Change Corporation and Bursa Malaysia, and an actionable ESG initiative through the ESG Champions – Green Governance Workshop. These engagements not only provide suppliers with valuable insights into our operations but also created opportunities for mutual learning and the adoption of best practices in responsible sourcing.

Internally, we have implemented robust in-house training programmes tailored to instill an understanding of Press Metal's sustainability objectives within our purchasing team. These sessions focused on deepening their expertise in ESG principles and equipped them to make informed, values-driven sourcing decisions.

### Setting Supplier's Expectation and Alignment Through Assessment

In enforcing Responsible Sourcing Policy and SCoC, we conducted thorough supplier assessments and on-site inspections and addressed any instances of non-compliance through collaboratively developed, time-bound corrective action plans. Following assessments, we shared detailed audit reports with suppliers, engaged in dialogue and drove continuous improvement.

Throughout the audit process, we maintained open communication, clearly articulated expectations outlined in our Responsible Sourcing Policy and SCoC. We closely monitored compliance among critical suppliers in key areas, including anti-bribery and corruption, human rights, working conditions and environmental stewardship. This rigorous oversight ensured accountability and drives sustained improvements across our supply chain.

## Upholding Good Governance and Economic Resilience

### HOW WE PERFORMED IN 2024



In FYE2024, we expanded our Supplier Management Programme to include downstream entities, reinforcing our commitment to responsible sourcing and sustainable supply chain practices. A total of 232 new and existing suppliers underwent ESG assessments to evaluate potential risks and areas for improvement. While no critical risks were identified, some suppliers required enhancements in their management systems, as well as their social and environmental practices.

We upheld a rigorous due diligence framework in evaluating our mineral and key suppliers, recognising their critical role in ensuring the sustainability and resilience of our operations. In 2024, we conducted comprehensive audits on six (6) key suppliers — five (5) classified as high-risk and one (1) as medium-risk — through a combination of on-site inspections and virtual assessments. Following the assessments, we engaged in close collaboration with the key suppliers to develop tailored action plans and timelines to address the areas of improvement. Key suppliers were committed to completing the necessary corrective measures by 2025.

As part of our supplier assessment efforts, 1,172 suppliers submitted written affirmations of adherence to our SCoC, which demonstrated their commitment to ethical and sustainable business practices.

In FYE2024, our evaluations revealed no instances of non-compliance, reflecting the effectiveness of this collaborative approach.



**Notes:**

- FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) facilities and covered mineral-related suppliers and suppliers with transaction values exceeding RM5 million.
- FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities. In FYE2024, existing suppliers screened for ESG criteria covered midstream facilities' mineral-related suppliers and suppliers with transaction values exceeding RM5 million, while downstream facilities covered key materials suppliers.



**Notes:**

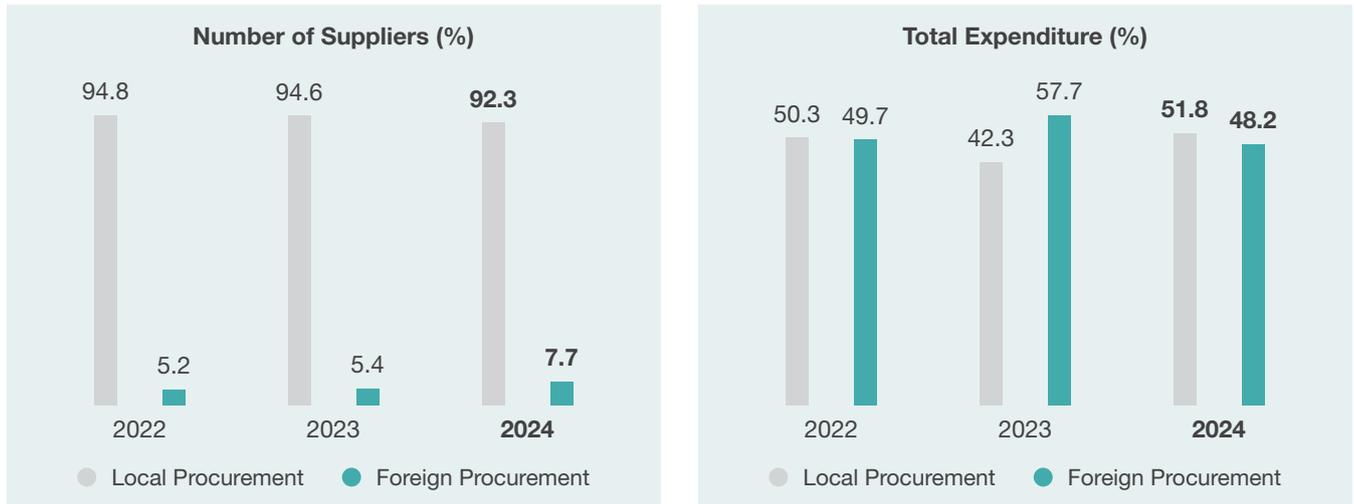
- FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and covered mineral-related suppliers.
- FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities. New suppliers screened for ESG criteria covered suppliers that delivered products or services that contributed to the manufacturing of products.

## Upholding Good Governance and Economic Resilience

### Local Procurement

In FYE2024, 92.3% of our total suppliers were locally based. We prioritised local suppliers in our procurement activities, with 51.8% of total procurement expenditure allocated to local suppliers for materials and services. These efforts contributed to economic development within our operating regions and reinforced sustainable and responsible sourcing practices.

### Local and Foreign Procurement



**Notes:**

1. Total expenditure refers to the amount spent on local suppliers (comprised of our headquarters and manufacturing facilities) in the respective operating country (i.e., Malaysia and China).
2. FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
3. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

In FYE2024, no major non-compliance issues concerning our suppliers were reported. Nonetheless, we proactively encouraged them to develop risk mitigation or corrective action plans to address any risks identified during our engagement sessions.

### GOING FORWARD

At Press Metal, we prioritise the development of a resilient, transparent, and sustainable supply chain, aligning with global best practices in responsible sourcing. To enhance our supplier evaluation process, we have improved our SSAQ and implemented a more comprehensive risk rating system. These advancements provide deeper insights into suppliers' ESG practices, enabling data-driven assessments, proactive risk management, and targeted supplier engagement to ensure alignment with our sustainability goals.

In line with our commitment to responsible aluminium sourcing, Press Metal is actively pursuing the ASI ChoC Certification. PMBtu completed the ASI ChoC certification audit in November 2024 and is certified in early 2025, providing independent assurance of our responsible production and sourcing practices and reinforcing our dedication to sustainable business operations.

We advocated emissions reduction efforts with our suppliers through clear sustainability goals, technical support, and action plans for each supplier's unique needs. This included shared knowledge on energy efficiency, renewable energy, and sustainable practices, while collecting emissions data using standardised templates. Additionally, we foster partnerships to provide shared resources, training, and toolkits, encouraging collaboration and progress toward our emissions reduction targets.

Through the integration of digital tools, we improve supplier oversight by tracking Scope 3 emissions, identifying high-emission hotspots, and promoting transparency, accountability, and responsible sourcing.

Looking forward, Press Metal will continue to working closely with suppliers to ensure responsible sourcing practices, keeping our supply chain aligned with evolving regulatory and stakeholder expectations.

## Upholding Good Governance and Economic Resilience

### PRODUCT QUALITY AND CUSTOMER SATISFACTION

GRI 3-3, GRI 416-2, GRI 417-1

M5

#### Capitals



#### SDGs



#### WHY IT MATTERS



Ensuring the consistent and timely delivery of high-quality aluminium products that meet requirements and expectations develop customers' trust that underpins sustained growth and resilience in a competitive market.

Equally significant is the role of customer feedback which serves a dual purpose: provides a validation of product quality and offers insights for ongoing enhancement. Integrating these perspectives and remain responsive to shifting demands will result in meeting the evolving needs and preferences of our customers.

#### OUR APPROACH



##### Adopting Quality Product and Manufacturing Standards

Press Metal's core operations encompass the manufacturing and trading of primary, value-added, and extrusion aluminium products. Our primary aluminium P1020 ingots are certified and traded on the LME as High-Grade Primary Aluminium, meeting the strict specifications with precision and consistency set by the LME. Similarly, our aluminium electrical conductor grade rods, produced with a minimum purity of 99.5%, are engineered to satisfy the demands of the electrical industry, offering a combination of lightweight properties and high conductivity, delivering solutions that align with customer needs.

Our manufacturing facilities (100%) operate under rigorous quality standards, with every site achieving full certification to ISO 9001:2015. In addition to ISO 9001:2015, our extrusion entities have expanded their quality management systems to encompass a spectrum of specialised industry certifications, including:

- IATF 16949:2016 for Automotive Quality Management
- QUALICOAT 2024 Specification
- SIRIM Product Certification License
- BS EN 15088:2005 Aluminium and Aluminium Alloy-Structural Products for Construction Works
- CNAS-CL01 Accreditation Criteria for the Competence of Testing and Calibration Laboratories

Furthermore, our smelting operations have attained BIS A356 certification, reinforcing our commitment to high-quality production.

Each facility upholds a Quality Policy, reflecting Press Metal's commitment to delivering products that meet customer expectations while adhering to pertinent industry standards.

##### Managing Quality Testing, Root Cause Analysis, and Improvements

Within each entity, the Quality Department serves as the custodian of product excellence, diligently maintaining standards, enforcing robust quality controls, and overseeing compliance processes. Their mandates include quality assessments and health and safety inspections.

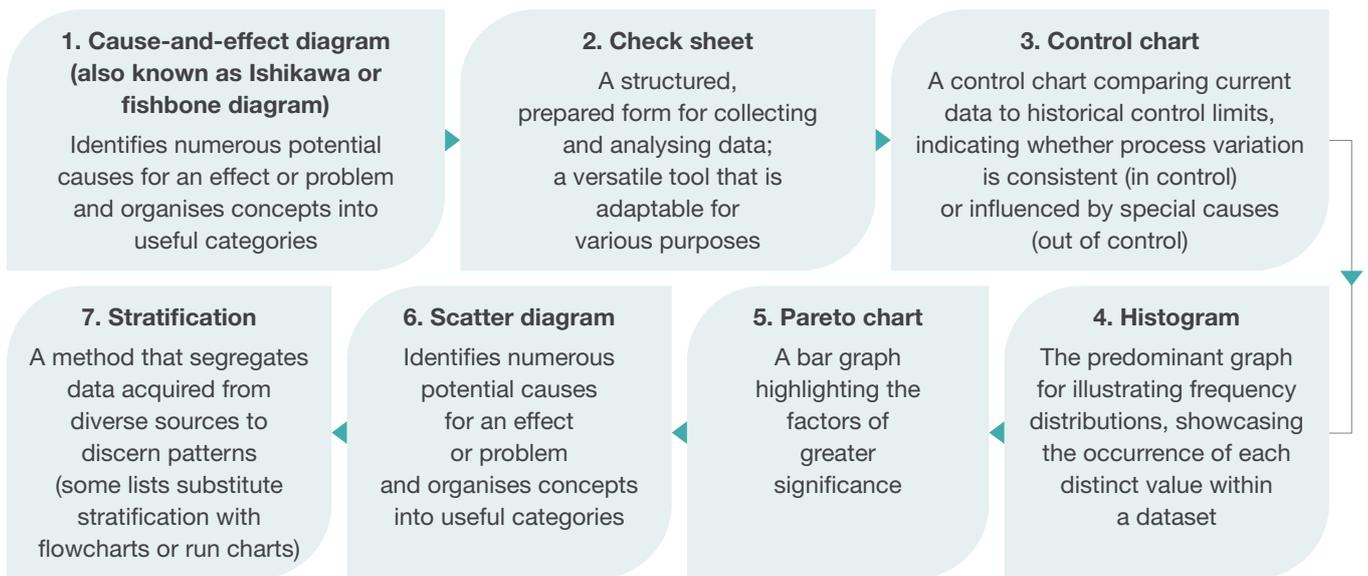
Aluminium products undergo rigorous chemical and physical testing, with results to be documented and shared with customers and distributors through safety data sheets. The safety data sheets will be reviewed by our EHS departments on a five (5)-year cycle, to provide transparency and assurance of product safety. All casted products (100%) are evaluated for health and safety impacts, in compliance with Registration, Evaluation, Authorisation and Restriction of Chemicals and Restriction of Hazardous Substances guidelines. Additional testing will be carried out upon client request to meet specific requirements.

## Upholding Good Governance and Economic Resilience

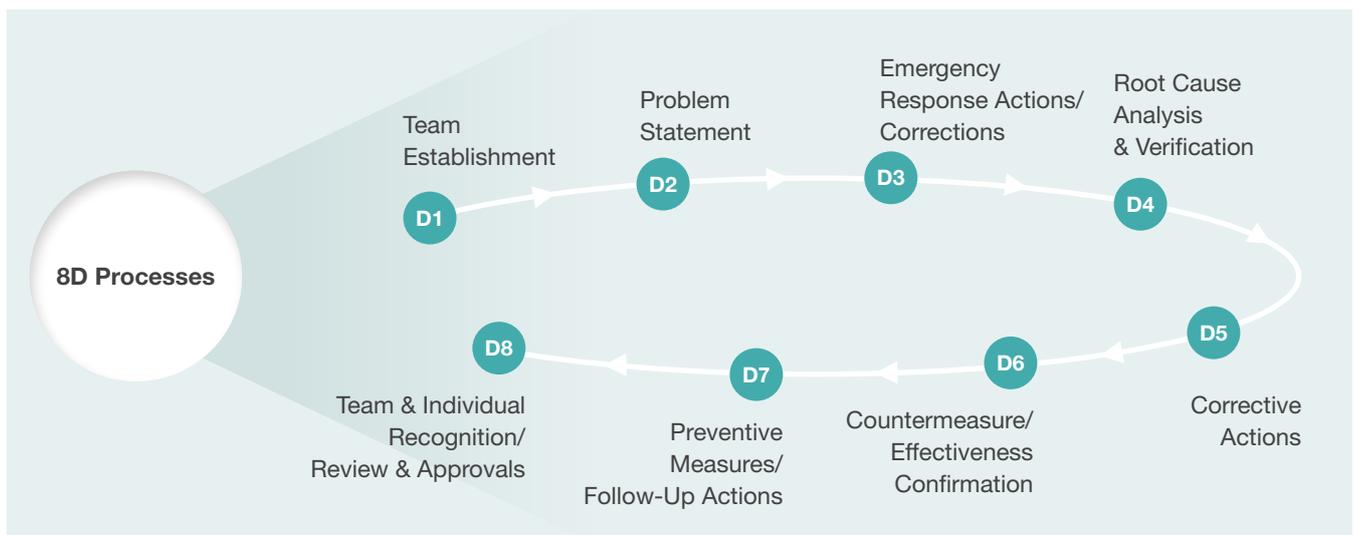
We maintain records of manufacturing processes, product specifications, inspections, and testing protocols, ensuring traceability and accountability at every stage. Any instances of non-compliance will be reported, and rectified, supported by open communication channels that engage both customers and internal teams. Customer feedback is proactively sought, serving as a vital tool for pinpointing opportunities for enhancement and pre-empting future discrepancies.

In the event of complaints, a structured root cause analysis will be executed using the seven (7) Quality Control Approach, methodically tracing issues back to their origins within the manufacturing process. Subsequently, corrective actions will be implemented and documented through the 8-Discipline (“8D”) Report Form or Corrective Action Request Form.

### The 7 Quality Control Approach



The 8D methodology takes a structured, eight (8)-step approach to problem-solving, designed to identify and address weaknesses within management systems that may have contributed to an issue. The process is outlined as follows:



Additionally, Press Metal integrated the Global Automotive Declarable Substance List (“GADSL”) into its quality assurance framework in FYE2024. This adoption reinforced our commitment to maintaining quality standards while ensuring compliance with global environmental regulations. The GADSL framework plays a role in verifying that materials and components supplied to the automotive industry adhere to stringent quality and sustainability requirements, reflecting Press Metal’s broader environmental and industry commitments.

## Upholding Good Governance and Economic Resilience

### Prioritising Customer Satisfaction and Continuous Improvement

Press Metal places significant importance to client satisfaction and the pursuit of continuous improvement, channeling these priorities through our Sales & Marketing Department. By gathering customer insights and subjecting them to ongoing review, it enables us to address concerns promptly. Moreover, through customer's feedback, we are able to understand the evolving market expectations, empowering Press Metal to adapt dynamically and refine its products and services in alignment with emerging needs.

#### OUR VALUE CREATION +

### Delivering Product Quality, Productivity and Continuous Learning

Press Metal adheres to the ISO 9001:2015 standard, embedding continuous improvement in our manufacturing processes through quality-centric initiatives. Guided by this framework, we adopt a proactive approach to optimising product quality and improving productivity. These efforts are driven by a range of measures designed to ensure consistency, responsiveness, and continuous improvement, including:

- **Strengthening Inspection Processes:** We have strengthened our quality assurance protocols, implementing rigorous inspections for product consistency and quality prior despatch. This enables our aluminium product to meet stringent customer specifications.
- **Prompt Resolution of Customer Complaints:** We address product quality concerns with immediacy and efficacy. This responsiveness not only resolves issues but also enhances customer satisfaction and loyalty.
- **Conducting Rigorous Audits:** Regular audits are conducted to uphold adherence to established standards and procedures. These evaluations enable us to identify opportunities for refinement, ensuring sustained alignment with best practices.
- **Compulsory Induction Programme for New Employees:** We have instituted a mandatory onboarding programme that familiarise new members with our quality expectations for aluminium products. This foundational training instils a shared commitment to excellence.
- **Ongoing Training and Skill Development:** We equip our workforce with essential skills and knowledge through monthly and annual training programmes. These training programmes are designed to train our employees in identifying and addressing quality challenges including, but not limited to:

#### Quality Systems and Compliance

- Quality Management & Standards
- Product Inspection & Compliance
- Process Improvement & Change Management
- Cost & Risk Management
- Supplier Management & Procurement Control

#### Operational Skills

- Electrolysis & Casting Operations
- Equipment Maintenance & Troubleshooting
- Manufacturing & Production Efficiency
- Workplace Safety, Environmental Management and Resource Efficiency

In addition to this, Press Metal introduced new measures in FYE2024 to further optimise product quality and enhance productivity across its operations. Through ongoing digitalisation, automation, and improvements in process control, we continued to demonstrate our commitment to maintaining consistent and high-quality standards. Key initiatives include:

#### **Advancing Process Control for Enhanced Production Quality**

Press Metal instituted process control upgrades to elevate both production quality and workplace safety. These enhancements included the integration of a thermocouple with a digital display and a level sensor, which enabled precise monitoring of process parameters.

Additionally, a pressing wheel device had been installed to secure the casting belt, effectively preventing cooling water from splashing onto the casting wheel. This modification reduced the risk of aluminium bar contamination and helped mitigate shrinkage porosity, ensuring superior product quality.

Further refining our approach, we re-engineered the press mould design by replacing sharp edges with a flat-edge configuration, enhancing both the surface quality of ingot bars and operator's safety.

#### **Automation to Enhance Alumina Quality**

Press Metal deployed an automatic solidified alumina clearing machine to enhance operational efficiency. This automation system enabled the efficient removal of solidified alumina, significantly improving the quality of alumina supplied to the electrolysis process. With minimal manual intervention, the technology improved product quality and optimised operational efficiency and reduced downtime and human error.

## Upholding Good Governance and Economic Resilience

### Enhancing Anode Stub Quality through Coating Material Substitution

Press Metal advanced anode stub quality through the substitution of the coating materials that drove improvements in both product quality and operational efficiency. This strategic enhancement not only reduced inline rejection rates but also enhanced production consistency and minimised losses related to defective products.

This initiative yielded notable results, which brought the thimble rejection rates of an average of 15% in FYE2023 to 5% in FYE2024. This project has improved the product quality and minimised waste generation, optimising overall production processes.

### Innovative Laser Technology for Anode Rod Cleaning

Press Metal had adopted an advanced laser technology into the cleaning of anode rods, employing methods that removes oxides and deposits while eliminating spark holes from the rod surface. This precision-driven process delivered superior quality and uniformity that enhanced the performance and durability of anode rods in production.

### Strengthening Operational Procedures to Minimise Mix Lot Issues

In addressing mix lot issues and enhancement of the overall process control, targeted measures were implemented aimed at reducing instances of cross-contamination. Key initiatives included the establishment of a dedicated sorting area for systematic material segregation, ensuring thorough clearance of materials prior to initiating new production runs. Additionally, strict adherence to Standard Operating Procedures (“SOPs”) are enforced to ensure consistency and quality at every stage of the process.

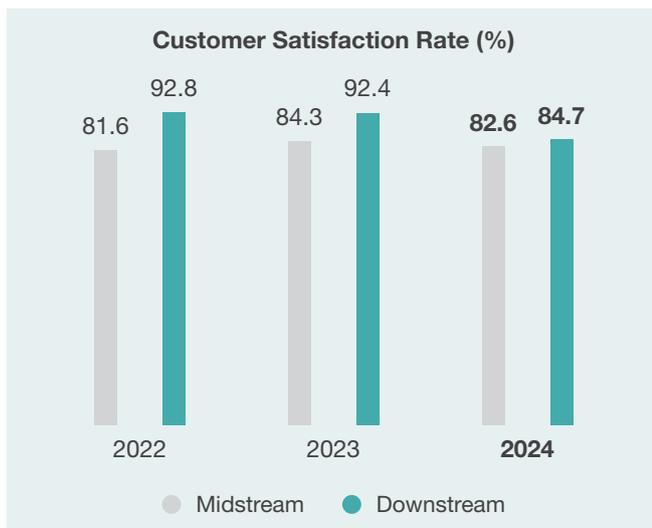
In mitigating variability and enhancing throughput efficiency, we introduced an automated damper machine and incorporated advanced automation to regulate material flow with precision across various production stages.

## HOW WE PERFORMED IN 2024



### Customer Engagement and Satisfaction

In FYE2024, we achieved satisfaction scores of 83.5%, with a slight decrease of 4.6% compared to 88.1% (FYE2023).



In FYE2024, midstream customer satisfaction experienced a modest decline, attributed to concerns surrounding product delivery timelines. In response, midstream operations strategised to address these challenges by focusing on optimising delivery processes, enhancing supply chain efficiency, and streamlined logistics to expedite transit times.

Conversely, in the downstream segment, customer satisfaction was observed to stem from pricing structure. To improve the price competitiveness, downstream entities strived to implement cost optimisation to generate better pricing without compromising the product quality. Concurrently, more customer engagement efforts will be made through dialogues to better understand and align with the evolving customer’s expectations. This approach allowed us to recalibrate our product offering with enhanced perceived value, ultimately, aimed to strengthen our customer satisfaction.

**Notes:**

1. FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, and PMBA Nilai 1) facilities.

## Upholding Good Governance and Economic Resilience

### Incidents of Health and Safety Non-Compliance for Products and Services

Incidents concerning the health and safety impacts of products and services	2022	2023	2024
Incidents of non-compliance with regulations resulting in a fine or penalty	0	0	0
Incidents of non-compliance with regulations resulting in warnings	0	0	0
Incidents of non-compliance with voluntary codes	0	0	0

#### Notes:

1. FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### GOING FORWARD

Press Metal remained committed to upholding the highest standards of product quality and customer satisfaction, recognising these as core elements of our long-term value creation. In response to evolving industry demands and stakeholder expectations, we continued to enhance manufacturing process enhancements, workforce development, and customer-centric initiatives.

Moving forward, Press Metal plans to further improve both product quality and regulatory compliance. Key initiatives in this effort include advancing process digitalisation and simplification, upgrading equipment for incoming quality control, and implementing comprehensive training programmes for quality personnel. These training programmes encompass Six Sigma methodologies, Statistical Process Control, radiation protection, IATF fundamentals, ISO 9001:2015 refresher courses, as well as specialised development programmes for engineers and executives.

Through these strategic approaches, Press Metal is dedicated to consistently delivering products that meet customer expectations and remain as a trusted partner in the global marketplace.

## Upholding Good Governance and Economic Resilience

### SUSTAINABLE MANUFACTURING

GRI 3-3

M6

#### Capitals



#### SDGs



#### WHY IT MATTERS



Sustainable manufacturing stands as a cornerstone in advancing decarbonisation and generating innovation across the aluminium industry, delivering transformative benefits that extend beyond environmental stewardship. In adopting best practices, operations can be safer and more efficient in terms of productivity as well as cost. Such effective and efficient production contributes to reducing the dependence on natural resources. This strategic adoption not only minimises ecological footprints but also establishes a foundation for operational excellence, ensuring that our processes are both sustainable and resource-conscious in an evolving industrial landscape.

Correspondingly, a commitment to sustainability aligns us with the changing regulatory requirements, safeguarding compliance while elevating our brand reputation among discerning stakeholders. In a market increasingly defined by competition and environmental awareness, intertwining sustainable practices into operations will position for long-term resilience and growth, securing a competitive edge that meets the demands of today while meeting tomorrow's greener economy.

#### OUR APPROACH



Enhancing operational efficiency and workplace safety remains a foundation of our manufacturing strategy, reflecting a commitment to excellence across all operations. In achieving operational excellence, Press Metal adopts the 5S Principles — Sort, Set in Order, Shine, Standardise, and Sustain — into our processes to support lean manufacturing. In addition, entities under PMBA (Klang and Nilai 1) in Malaysia and operations in China had taken further steps by integrating a sixth principle, Safety. Plans are underway to extend this extended approach across all manufacturing operations, reinforcing our dedication to adopting best practices that elevate both performance and employee well-being.



The adoption of these principles yielded tangible benefits, including heightened safety standards, significant cost savings, and optimised asset utilisation.

## Upholding Good Governance and Economic Resilience

### Fostering Innovation and Research for Progressive Growth

Cultivating a culture of innovation is pivotal to refining manufacturing processes, and employees are actively encouraged to contribute through structured improvement projects. To facilitate this, we had developed a dedicated improvement platform, which enabled our own staff to submit proposals, contained detailed cost and benefit analyses, outlined improvements, and anticipated outcomes.

The Sarawak Operations' Improvement Programme ("SOIP") provides a dedicated avenue for employees to submit ideas that drive improvements. The SOIP is categorised into SiPros, which target long-term, systemic enhancements and iPros, which address smaller, standalone solutions. In FYE2024, we successfully implemented 15 SiPros and 46 iPros, addressing areas such as the digitisation of reporting processes and upgrades to manufacturing operations.

Further elevating our innovation agenda, a dedicated R&D team was established in 2021, with a focus on climate change-related projects. Working in close partnership with our IT department, the R&D team advanced digitalisation and automation initiatives that enhance operational precision and sustainability.

Our collaboration with local universities further enriched these efforts, which bridged research and academia to support student and staff development and to strengthen broader human resource capacity.

 [Read more on our sustainable manufacturing initiatives in the respective sections of this SR 2024.](#)

### OUR VALUE CREATION

At Press Metal, sustainable manufacturing is a strategic imperative that drives decarbonisation and fuels innovation for sustaining long-term growth and competitive strength. The SOIP, categorised into SiPros and iPros, drives transformative improvements in our manufacturing processes by streamlining workflows, enhancing quality, and bolstering sustainability — reflecting our commitment to innovation-led progress. By targeting both systemic and incremental advancements, SiPros and iPros ensure that our digital evolution delivers tangible benefits, positioning us to excel in a competitive, tech-savvy industry landscape.

Throughout FYE2024, we continued to roll out key operational systems, each meticulously designed to target specific facets of efficiency, sustainability, and process optimisation.

Initiative	Objective
Upgraded Pot Lining Design with Fully Graphitised Cathode	Enhancing stability of metal pad and lowering energy consumption to improve operational efficiency and reduce anode consumption.
Intelligent Crust Breaker and Pot Controller System Upgrade	Upgrading our pot controller and conventional crust breaker to an energy-efficient intelligent version, enhancing control over sludge and anode effects to reduce GHG emissions.
AI Safety Production Management System	Monitoring and detecting safety hazards using artificial intelligence to ensure safety and operational efficiency.
Solar Project	Providing clean and renewable energy which contributes to long-term sustainability goals.

## Upholding Good Governance and Economic Resilience

Initiative	Objective
Carbon Capture and Utilisation	▶ Researching on the capturing of carbon dioxide from the aluminium pots and exploring the utilisation potential of the captured carbon.
Anode Rod Cleaning Using Laser	▶ Cleaning the anode rod surface efficiently to reduce the surface contact resistance between anode and anode beam.
Automated Clearing of Solidified Alumina	▶ Automating the process for clearing solidified alumina to consistency and quality.
Pot Digital Measurement System	▶ Digitising our pot measurement data to expedite data delivery.
Automated Weighbridge System	▶ Automating the weighing of molten aluminium crucibles to replace manual labour.
Potline Emergency Busbar System	▶ Enhancing electrolysis support system by adopting ancillary electrical connection for uninterrupted potline operation.
Asymmetrical Anode for Anode Current Density Reduction	▶ Reducing anode current density to decrease energy intensity.
Automated Molten Tapping	▶ Enhancing safety, reducing human labour and increasing operational efficiency in metal production processes.
Utilisation of EV Forklift	▶ Lowering carbon emissions by replacing conventional diesel forklift while reducing operating costs.
Pot Tending Machine Shovel Installation	▶ Improving skimming quality and reducing skimming time, along with decreased sludge formation and voltage, which enhances overall current efficiency.
Crucible Preheating	▶ Preventing thermal shock and reducing the risk of cracking.

Advancing sustainable manufacturing requires continuous progress in digitalisation and automation, with a strong emphasis on data interconnectivity and the integration of smart technologies. Efforts are directed towards enhancing operational efficiency while lowering GHG emissions, driving investments in innovative solutions that optimise processes across the value chain.

Digital transformation has been implemented at smelting plants and PMI through the deployment of the Manufacturing Execution System (“MES”). Leveraging big data, MES enables real-time production tracking, swift responses to operational anomalies and improved efficiency, redefining plant management. Complementing this, the Electrolysis portal functions as a centralised hub for monitoring smelting operations, consolidating critical data to enhance visibility and support data-driven decision-making.

## Upholding Good Governance and Economic Resilience

In FYE2024, initiatives that advanced our digitalisation and automation activities are as follows:

Project	Objective
Digitisation of Pot Operational Parameter Data Manual Measurement Process	Integrating measurement tools into a cloud-based system for real-time data access, reducing manual recording time and paper usage.
Digitisation of Temperature Monitoring for Unstable Pots	Enhancing monitoring efficiency by providing nearly real-time temperature measurements, improving safety and enabling early warnings for unstable pots.
Pot Condition Categorisation Analysis System	Automating pot performance analysis to improve accuracy, standardise reporting and enable faster identification of operational issues.
Digitalisation of Application on Inventory Adjustment Operating Procedure	Streamlining application processing for greater efficiency, improved tracking and reduced manual errors through digitalisation.
Mobile Phone Alerts for Molten Impurities	Implementing real-time notifications to ensure timely intervention in electrolysis operations.

Through embedding intelligent transformation, PMI has earned recognition as a Guangdong Provincial Engineering Technology R&D Centre. PMI had been honoured as a high-end aluminium intelligent fine processing engineering technology research centre, which highlighted its role in advancing research and development within the industry. As a pilot enterprise in China's Foshan aluminium extrusion industry, PMI also launched a carbon labelling certification project. The Recycled Aluminium Extrusion Profile GCXXX, produced with more than 80% recycled aluminium, underwent rigorous third-party verification of its carbon footprint, which achieved it the distinction of being PMI's first product to secure both the Guangdong Carbon Label and the Hong Kong Product Carbon Footprint Label. Furthermore, PMI reached another milestone by obtaining approval to establish a Foshan Enterprise Postdoctoral Workstation Branch, embedding its position in research, talent development, and innovation-driven growth.

### Innovating Towards GHG Reductions

Press Metal is advancing its R&D efforts and operational enhancements, with a clear strategic focus on meeting interim GHG reduction targets while optimising resource efficiency. These initiatives are anchored in three (3) pivotal themes: Industrial Revolution 4.0 ("IR 4.0"), decarbonisation, and energy reduction, reflecting a holistic approach to sustainable innovation.



Further details of our energy reduction strategies can be found in the Climate Change and Energy Management sections of SR 2024.

### GOING FORWARD

Innovation remains central in our drive towards continuous improvement and sustainability across our operations. Building on the momentum of pioneering initiatives, such as the deployment of the AI Safety Production Management System on billet lines and the development of the MES, we are dedicated in our pursuit of operational excellence.

The AI Safety Production Management System played a crucial role in enhancing real-time monitoring of production and bolstering safety compliance across billet lines. Paired with the MES, which facilitates rapid, data-driven decision-making through comprehensive insights, this technology optimises performance and safeguards workplace conditions. Integrated together, they form a robust framework that not only streamline workflows but also reinforce our commitment to precision and employee well-being. These technological strides deliver measurable benefits, including streamlined operations, heightened safety measures, and sustained efficiency gains across our production facilities.

With plans to extend the systems, Press Metal continues to prioritise manufacturing management and safety protocols. This approach underscores our dedication to operational excellence that continue to propel us towards a safer, more efficient, and sustainable future across our manufacturing operations.

## Upholding Good Governance and Economic Resilience

### RISK MANAGEMENT

GRI 3-3

M7

#### Capitals

F

#### SDGs



### WHY IT MATTERS

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A strong and effective risk management system is essential for identifying and addressing potential threats that could impact financial stability, reputation, regulatory compliance, and governance standards. Embedding enterprise risk management into business functions, projects, and procedures enhances decision-making and ensures a comprehensive approach to managing risks across operations.

This enterprising strategy not only helps mitigate challenges but also enables the organisation to capitalise on emerging opportunities. In taking a preemptive approach to risk, the focus remains on delivering sustained, long-term value while ensuring resilience in an evolving business landscape.

### OUR APPROACH

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#### Establishing Board Oversight for Group-Wide Alignment

An integrated approach to risk management is in place to address a wide range of potential challenges, including legislative and regulatory compliance, financial risks associated with investments and strategic initiatives, cybersecurity threats, data privacy concerns, and human resource-related issues. At the Board level, the responsibility is entrusted to the RMC to oversee the Group’s risk management framework, policies, and implementation processes. The RMC is supported by the RMT, which ensures the execution and monitoring of risk management undertakings across the Group, with quarterly updates provided to the Board.

In addition to its core responsibilities, the RMC also supervises the SC, focusing on sustainability-related matters including Group’s ESG risks. Working closely with the SC, under the leadership of the Group CEO, the RMC plays a vital role in supervising our ESG and climate risks, enabling a focused and disciplined approach while maintaining clarity in actions and accountability.

#### Developing an ERM Framework & Risk Management Policy

In adopting industry best practices, the ERM Framework was developed in reference to ISO 31000:2018 Risk Management – Guidelines, ensuring a structured and effective approach to risk oversight. Encompassing ESG risks alongside corporate, financial, and operational risks, the ERM Framework designates risk owners’ responsibilities in monitoring and managing risks within their respective areas. On a quarterly basis, the risk owners provide updates through operational risk assessment for the risks within their control area, enabling a proactive approach to risk oversight.

Within the ERM Framework, the Risk Management Policy sets out clear guidance for the identification, evaluation, and treatment of risks. Emphasising continuous review and monitoring, the policy ensures that risk management processes remain dynamic and responsive to emerging challenges.

#### Mitigating Risks in Potential Mergers & Acquisitions

Risk management encompasses a broad spectrum of risks, including industry dynamics, regional and country-specific challenges, funding sources, investor expectations, and the impacts of climate change. By embedding ESG considerations into investment decisions, it enables a comprehensive evaluation of potential acquisitions.

Furthermore, our risk management approach extends to mergers and acquisitions, integrating an ESG Risk Assessment and Rating Checklist into the evaluation process for potential strategic investments. As part of due diligence, assessments will be conducted to identify potential risks and adverse impacts across environmental, health and safety, community, regulatory, financial, and legal factors.

 Read more about our approach in the Business Ethics and Corporate Governance section of this SR 2024.

## Upholding Good Governance and Economic Resilience

### Addressing ESG & Climate-Related Risks

As part of efforts to address climate change, dedicated ESG and climate-related risk registers had been developed, integrating these risks into the broader risk management framework. This enabled a systematic approach to identifying, assessing, and prioritising ESG and climate-related risks and opportunities, alongside corresponding management strategies. Key parameters within the Enterprise Risk Management Climate Risk Register included technology, reputation, and social risks.

Press Metal conducted a climate scenario analysis to assess both physical and transition risks. The evaluation considered potential impacts under two (2) climate scenarios — 4.3°C and 1.8°C — ensuring a structured approach to managing climate-related risks in an evolving global landscape.



Read more about our approach to risk management in the Statement on Risk Management and Internal Controls section of IAR 2024.



Read more on our identified climate-related risks and opportunities in the Climate Change section of SR 2024.

### OUR VALUE CREATION



Press Metal maintained a sound system of risk management and internal control and the proper management of risks throughout the operations of the Group. In proactively managing risks to enhance the resilience and sustainability of our operations, we fortified our ability to navigate uncertainties while safeguarding the long-term success of our organisation.



#### Policy Reviews and Operational Monitoring

Central to our risk management efforts is the ERM Framework, complemented by our comprehensive Risk Management Policy. It provided a robust foundation of guidance and standards, which applied consistency across all risk management functions. We implemented quarterly risk assessments for our midstream and downstream entities, to identify, analyse, and prioritise risks unique to these critical segments of our operations. In implementing regular evaluation, we addressed emerging challenges promptly, and remain responsive to the evolving business landscape.



#### Assessments and Action Plans

Comprehensive risk assessments were conducted across business functions to identify potential vulnerabilities and evaluate their implications. Informed by quarterly risk reviews, we developed and implemented targeted mitigation strategies to address priority exposures. A suite of control measures was also introduced to reduce both the likelihood and impact of identified risks, reinforcing a proactive and disciplined approach to risk management.

Operational resilience was further strengthened through enhanced monitoring and intervention. Following the fire incident at the Samalaju site during FYE2024, a full review of safety protocols was completed, resulting in improved containment, response, and oversight mechanisms. Further information is provided in the Occupational Health and Safety section of IAR 2024.

These initiatives form an integral part of Press Metal's risk management framework, enabling the Group to mitigate potential disruptions while positioning itself to capitalise on emerging opportunities in support of long-term growth and innovation.



Read more about our value creation in the Statement on Risk Management and Internal Controls section of IAR 2024.

### GOING FORWARD

Maintaining an effective risk management framework is essential to ensuring long-term success, business sustainability, and stakeholder confidence.

By strengthening our ability to assess risks and capitalise on opportunities, we safeguard financial stability and protect shareholder value. This, in turn, strengthens our ability to deliver long-term value and reinforces our resilience in an increasingly complex and dynamic global market.

## Upholding Good Governance and Economic Resilience

### CUSTOMER DATA PRIVACY AND INFORMATION TECHNOLOGY

GRI 3-3, GRI 418-1

M8

#### Capitals



#### SDGs



#### WHY IT MATTERS



As technology and digital connectivity continue to expand, protecting customer data privacy and strengthening cybersecurity resilience are essential to safeguarding sensitive information and trade secrets from unauthorised access or misuse. A significant data breach may pose a substantial risk with potential consequences such as identity theft, financial fraud, and reputational damage.

To address these challenges, robust cybersecurity measures must be in place to mitigate cyber threats and attacks in ensuring business continuity, maintain stakeholder trust, and uphold the integrity of operations in an increasingly digital landscape.

#### OUR APPROACH



Press Metal has established an Information Technology (“IT”) Policy, which serves as an authoritative guide for all authorised users. This policy outlines the principles of responsible and ethical use of IT facilities, placing emphasis on protecting our systems from potential damage or liability arising from unlawful or inappropriate conduct. By setting expectations and protocols, it underpins the integrity and security of our technological ecosystem, ensuring adherence to the standards of diligence and accountability. In alignment with the evolving legal and regulatory framework, the IT Policy undergoes annual review to maintain relevance in the digital landscape.

In strengthening our cybersecurity framework, we have deployed a suite of IT-based protective measures, including firewalls and other security mechanisms that are engineered to safeguard our systems from external threats — such as cyberattacks, malware, and unauthorised intrusions — that pose significant risks in today’s interconnected world. To maintain our safeguards, we implement periodic updates to our firewalls and internal networks, enhancing IT governance and bolstering cybersecurity resilience. This approach mitigates vulnerabilities, enabling our technological infrastructure to remain robust and secure against potential risks.

Integral to our cybersecurity protocol, the IT Infrastructure unit adheres to a cyber hygiene checklist, embedding industry practices to detect and prevent security incidents. This checklist includes an IT security checklist, internal audits, and annual cybersecurity vulnerability assessments. To further strengthen oversight, we had established an IT Compliance & Security Team tasked with supervising IT policies, standard operating procedures, cybersecurity protections, and governance protocols to comply with regulatory alignment.

#### For IT Administrators

Software Development Policy – Standardises and structures the software development process.

Business Intelligence Administrative Policy – Focuses on data security and compliance with legal and company policies.

Operational Technology (“OT”) Network Connectivity to Production Network Policy – Ensures secure connections between OT and Production networks.

#### For IT Users

IT Equipment Relocation Policy – Guides safe relocation of IT equipment to protect data and prevent damage.

Bring Your Own Device Policy – Ensures the security of company data when using personal devices for work.

Business Intelligence Use Policy – Governs the use of Business Intelligence tools, ensuring compliance with data privacy and security practices.

## Upholding Good Governance and Economic Resilience

All data collected, processed, utilised, and stored from stakeholders such as employees and customers are managed in accordance with local regulatory standards. This includes adherence to Malaysia's PDPA 2010 alongside internal policies and frameworks that are designed to uphold data privacy and security. Information stored is handled with the utmost care and sensitivity, ensuring its use remains confined to explicitly authorised purposes while preserving its confidentiality. All IT department personnel are required to sign a Data Security Agreement annually, reinforcing their commitment to safeguarding IT systems and protecting sensitive data from potential threats.

Through these multifaceted efforts, our IT framework remained robust, ensuring continued protection against emerging cyber risks.

### OUR VALUE CREATION



Press Metal embarked on a series of strategic initiatives aimed at fortifying our IT risk management practices, thereby enhancing the resilience of our operations. These efforts allowed us to navigate the complexities of an increasingly digital landscape and to safeguard our technological infrastructure.

#### Strengthening Our Cybersecurity Measures

To protect organisational and customer data, enterprise-grade cybersecurity solutions have been adopted along with enhanced IT security procedures and protocols to mitigate cyber risks. This robust framework encompassed the deployment of dual-layer firewalls, privileged authentication module controls, high-availability servers, and backup and disaster recovery systems. In addition, multi-level security access controls had been enforced, further bolstering data integrity through restrictive permissions given to authorised personnel and minimising exposure to vulnerabilities.

Our commitment to continuous protection was reinforced through scheduled monitoring and assessments of our IT infrastructure, which enabled continuous protection through preemptive identification and resolution of potential weaknesses. Aligned with industry's best practices, the Group adopted international IT compliance frameworks, and amid refining to align with the Cyber Security Act 2024.

#### Increasing Awareness on Cybersecurity

Press Metal remained resolute in cultivating a culture of cybersecurity awareness and compliance, through workshop engagements to stay abreast of evolving data privacy regulations. Regular updates from our trusted service providers for vulnerability testing allowed our defences to align to the latest developments in the cybersecurity landscape.

Employee awareness and vigilance were pivotal to mitigating cyber threats, therefore, we had implemented training programmes to promote best practices across our workforce. In FYE2024, these efforts were elevated through targeted initiatives, including specialised training sessions for the Board of Directors, a cybersecurity awareness video made accessible to all employees, and participation in the Trusted Information Security Assessment Exchange ("TISAX").

To enhance cybersecurity resilience, employees at all levels received regular email updates on IT best practices, keeping them well-informed of the latest developments in the digital landscape. Complementing this initiative, we conducted quarterly social engineering assessments, such as email phishing tests, across the Group. These exercises served as both a diagnostic tool and a learning opportunity where employees who fell short will be reminded to identify suspicious communications.

## Upholding Good Governance and Economic Resilience

### HOW WE PERFORMED IN 2024



In FYE2024, no data or cybersecurity breaches were reported.

As part of our annual exercise, a Vulnerability Assessment and Penetration Testing (“VAPT”) post-assessment was carried out by an independent cybersecurity specialist. The findings were thoroughly reviewed, and the final report was signed off following the completion of all necessary remediation actions, ensuring continued resilience against potential threats.

Key Performance Indicators	2022	2023	2024
Total number of identified leaks, thefts or losses of customer data	0	0	0
Total number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0

#### Notes:

1. FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### GOING FORWARD

To adeptly manage cyber risks and threats, Press Metal is putting efforts into a multifaceted strategy that encompasses the identification, continuous monitoring, and evaluation of potential cyberattacks and ensuring compliance with Malaysia’s PDPA 2010. In addition, Press Metal aims to align with the Cyber Security Act 2024, an international IT compliance framework.

On cybersecurity, annual vulnerability assessments and implementation of protective measures, including dual-layer firewalls, high-availability servers, and advanced threat detection systems, will enable operational continuity and safeguard both organisational and data against cyber threats.

Employee awareness and vigilance is equally essential. To this end, we will institute ongoing training programmes, designed to equip our workforce with the knowledge and skills to stay vigilant to threats with regular social engineering assessments that polish our employees’ ability to distinguish and respond to attacks.

# CARING FOR THE PLANET

## CLIMATE CHANGE

GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3, GRI 302-2, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5

M9

### Capitals



### SDGs



## WHY IT MATTERS

?

Climate change presents one of the most pressing global challenges, with its impacts becoming increasingly severe. Rising sea levels, prolonged heatwaves, and more frequent droughts and wildfires highlighted the urgency for action. Projections<sup>1</sup> from the World Meteorological Organisation indicated that 2025 could rank among one of the three (3) warmest years on record, further intensifying risks to communities, ecosystems, and national economies. These developments reinforced the need for adaptive and proactive measures to mitigate climate-related risks within our operational landscape.

The transition towards a net-zero economy requires the aluminium industry to significantly reduce GHG emissions, from over 1 billion tonnes of CO<sub>2</sub>e to approximately 50 million tonnes by 2050<sup>2</sup>. This shift drove change in consumer preferences for low-carbon aluminium products and the rising demand for energy transition solutions such as wind turbines, batteries, and solar photovoltaic technologies<sup>3</sup>, all of which require the use of aluminium. As a result, global aluminium demand is projected to grow from 86.2 million metric tonnes to 119.5 million metric tonnes (approximately 40% increase) by 2030<sup>4</sup>. As SEA's leading integrated aluminium producer, we are committed to addressing these challenges by enhancing energy efficiency and adopting lower-carbon production methods. While navigating the evolving market landscape, we continued to balance industry demands with our broader sustainability commitments. Embedding less carbon-intensive practices across our operations and expanding our portfolio of low-carbon aluminium products, helps strengthened our competitive position while ensuring the long-term stability and resilience of our business.

#### Sources:

1. WMO (2025). WMO confirms 2024 as warmest year on record at about 1.55°C above pre-industrial level. <https://wmo.int/news/media-centre/wmo-confirms-2024-warmest-year-record-about-155degc-above-pre-industrial-level>
2. Aluminium Stewardship Initiative (2022). Issue Brief: Low Carbon Aluminium. <https://aluminium-stewardship.org/low-carbon-aluminium>
3. McKinsey & Company (2022). Capturing the green-premium value from sustainable materials. <https://www.mckinsey.com/industries/metals-and-mining/our-insights/capturing-the-green-premium-value-from-sustainable-materials>
4. World Economic Forum (2023). Aluminium Demand will Rise 40% by 2030. Here's How to Make it Sustainable. <https://www.weforum.org/stories/2023/11/aluminium-demand-how-to-make-it-sustainable/>

## OUR APPROACH

...

A robust and structured approach is essential in managing climate-related risks and opportunities while ensuring alignment with global sustainability standards. Through Climate Change Strategy, Net-Zero Roadmap, and Adaptation Action Plans, we adopted a systematic approach to GHG emissions management, climate-related disclosures, and regulatory compliance. This framework enabled the implementation of targeted measures across short-, medium-, and long-term horizons, driving progress towards GHG emissions reduction goals.

The Climate Change Policy provides the overarching framework that guides the response to climate challenges. It sets out a commitment to:

- Optimising process performance to enhance operational efficiency and reduce energy consumption.
- Deploying effective and low-carbon technologies within production lines.
- Collaborating in research and development through strategic partnerships with external technology developers to develop and deploy advanced technologies that mitigate GHG emissions.
- Promoting sustainable sourcing practices to source low-carbon raw materials.
- Promoting and facilitating circular economy practices through closed-loop recycling to reduce the consumption of raw materials and energy.

## Caring for the Planet

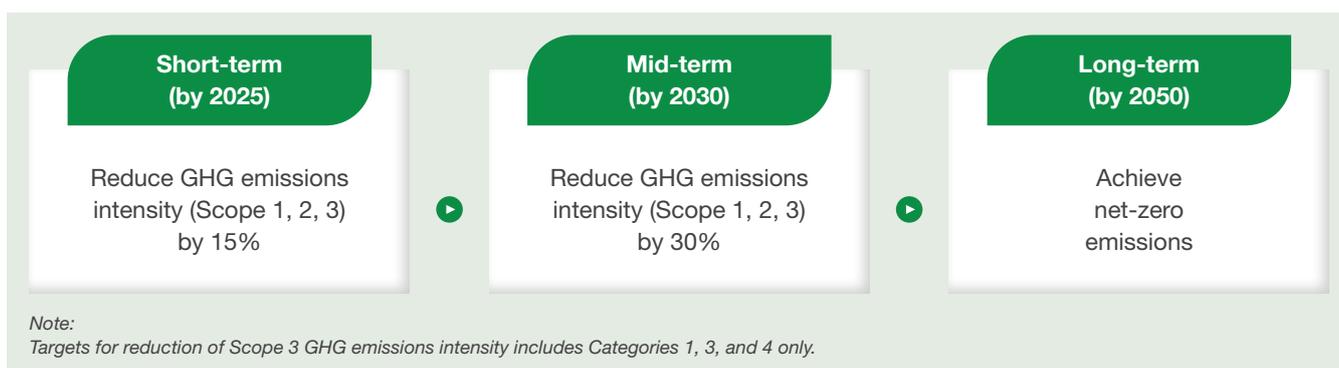
- Transitioning to renewable energy for aluminium production.
- Utilising GHG contractual instruments for renewable energy to support decarbonisation and increase the deployment of low-carbon energy.
- Introducing low-carbon aluminium products to help customers reduce their carbon footprint.
- Offsetting unavoidable GHG emissions through climate protection projects.

The Climate Change Policy is accessible at <https://pressmetal.com/investor-relations/corporate-governance.php>.

We benchmark practices against industry best standards to align our actions in meeting the market expectation. This ongoing evaluation identifies areas for enhancement and ensures that sustainability commitments remain aligned with evolving market expectations and environmental priorities.

### Setting GHG Emissions Reduction Targets

In FYE2024, Press Metal transitioned from a carbon-neutral ambition to a net-zero emissions target by 2050. Recognising our responsibility for climate action, we incorporated Scope 3 upstream GHG emissions into our climate targets as they fall within the Group’s influence, while Scope 3 downstream GHG emissions generally remained outside the Group’s control. These targets, benchmarked against our GHG emissions intensity 2020 baseline of 10.3 tCO<sub>2</sub>e/ tAl, were structured across three (3) key horizons:



The revision of our climate targets has demonstrated our continuous dedication to climate action. These commitments, outlined in our revised Climate Targets, apply to all manufacturing operations under our operational control.

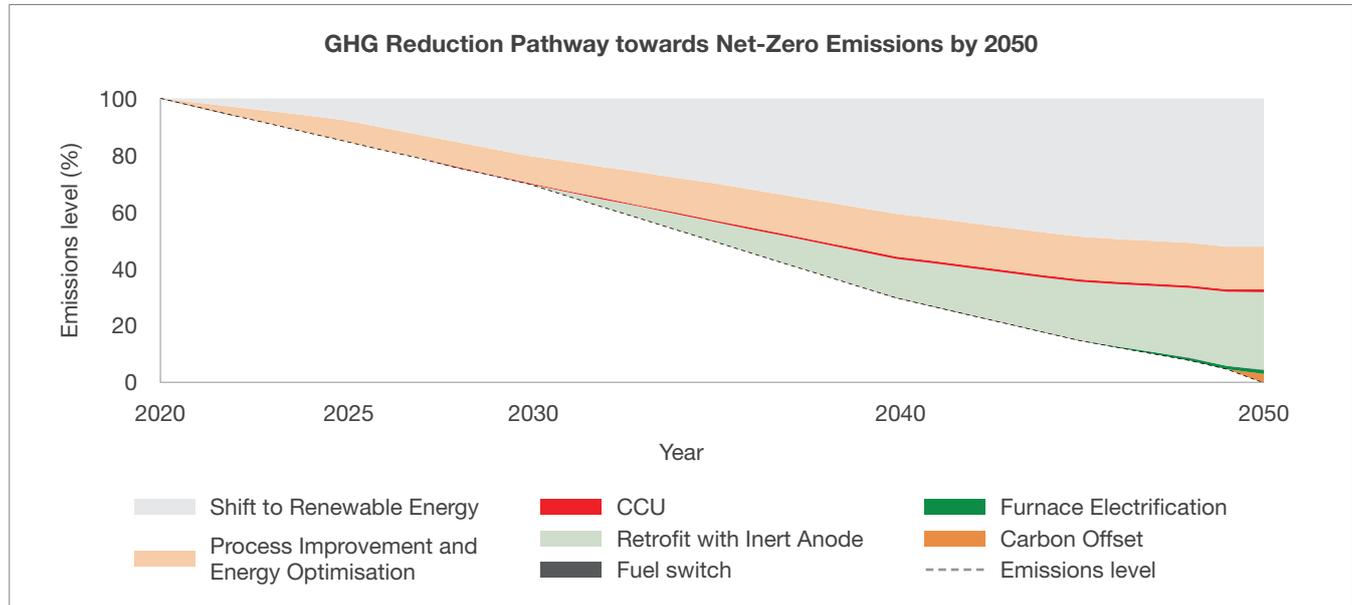
Our Baseline Recalculation Policy provides the framework for reviewing and, where necessary, updating our GHG emissions reduction targets in response to significant changes, including:

- Structural developments such as mergers, acquisitions, or divestments
- Enhancements in emissions factor methodologies or data accuracy
- Organisational or operational boundary changes
- Discovery of material errors affecting baseline calculations

### Charting GHG Emissions Reduction Pathway

As part of our broader climate change strategy, we adopted a net-zero emissions target that aligned with the global objective of limiting temperature increases to 1.5°C and reinforced our pathway for reducing GHG emissions across our operations. To achieve our short-, medium- and long-term GHG emissions reduction targets, we modelled our Scope 1 and 2 GHG reduction pathways based on the availability and commercial readiness of existing technologies. This pathway, developed with reference to the International Aluminium Institute (“IAI”)’s Aluminium Sector Greenhouse Gas Pathways to 2050 and considered a range of factors, including energy resources, raw material availability, government policies, investment opportunities and the pace and cost of technology adoption. We actively explore multiple pathways to further reduce our carbon footprint including transitioning to renewable energy sources, improving process efficiencies, optimising energy use, and deploying advanced technologies to drive sustainability across our operations.

## Caring for the Planet



**Note:**

The identified initiatives for technology deployment are subject to change based on factors such as cost, technology maturity, market conditions, available infrastructure, and policy developments.

While the current decarbonisation pathway focuses on Scope 1 and 2 emissions, efforts are also directed towards addressing Scope 3 emissions, with particular emphasis on upstream GHG contributions. In line with science-based targets, climate-related commitments have been expanded to include supplier engagement aimed at reducing value chain emissions.

Initiatives to support this objective include supplier training, performance assessments, and the promotion of emissions tracking and management practices. These measures reinforce responsible procurement and contribute to the broader ambition of reducing the Group's overall carbon footprint.

### Ensuring Robust Climate Governance

The Board plays a pivotal role in overseeing our climate action strategy, ensuring robust governance and alignment with our broader sustainability objectives, in line with the mandate to manage risk and drive long-term value creation. They provide strategic oversight of climate-related policies and initiatives development. The Board is briefed on sustainability developments, including climate-related issues, on a quarterly basis, with the RMC providing advisory support on climate-related risks.

The Group CEO, a Board member who also chairs the SC, is responsible for overseeing the organisation's sustainability agenda, including climate-related strategies and policies. Key responsibilities include formulating climate policies, evaluating performance, and allocating resources to support climate-related initiatives.



Read more of our sustainability governance at [Our Approach to Sustainability of this SR 2024](#).

### Integrating Climate Performance in Remuneration

As part of our commitment to driving progress in climate action, Press Metal integrated GHG emissions intensity performance as one of the key metrics within our ESG Remuneration Framework. This ensured a direct alignment between climate performance and remuneration incentives for the Group Chief Executive Officer, selected Key Senior Management, Key Operating Management personnel and the Head of Group Sustainability. From 2025 onwards, this framework will be expanded to include a wider range of roles, further embedding ESG-driven accountability across the organisation. Looking ahead, we intend to extend this approach to additional employee groups, taking into account the variability in their compensation structures and levels of responsibility.

### Transparency in Climate Action

With the TCFD having completed its mandate, we align our climate-related reporting with its four (4) core recommendations – governance, strategy, risk management, and metrics and targets – which are now embedded within the ISSB framework. We have also inaugurated our disclosure in CDP in FYE2024. These steps provide greater transparency into our governance practices and climate-related initiatives, ensuring greater accountability on how we manage the decarbonisation of our operations as we progress towards our target of net-zero emissions by 2050.

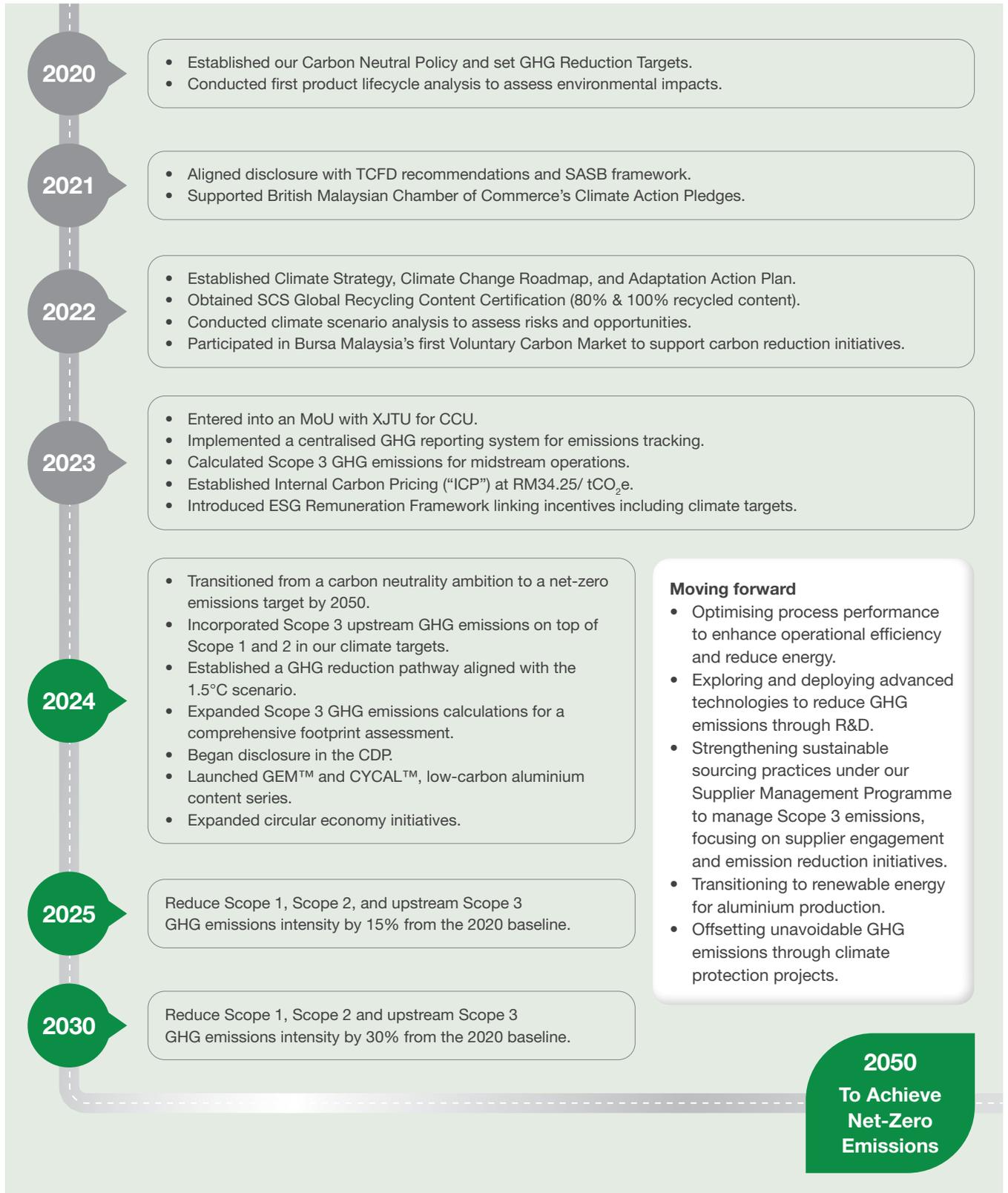
Caring for the Planet

OUR VALUE CREATION



**Integrating Our Climate Change Strategy & Net-Zero Roadmap**

In our effort to drive climate change actions, we have instituted the Climate Change Strategy and Net-Zero Roadmap that provides a clear overview of our ongoing efforts and future commitments toward achieving our climate goals.



## Caring for the Planet

Our Climate Change Strategy is built on four (4) key pillars:

- ▶ **Pillar 1: Strengthening Business Resiliency Over Climate Risk**  
Implementation of targeted actions to mitigate climate risks, enhance resilience, and ensure our reduction targets are met despite changing environmental conditions.
- ▶ **Pillar 2: Reducing Operational Carbon Footprint**  
Contribute to the achievement of our Climate Targets by reducing operational GHG emissions.
- ▶ **Pillar 3: Low-Carbon Product**  
Produce low-carbon aluminium products with a lower environmental footprint compared to conventional aluminium, supporting a reduction in overall GHG emissions, which helps our buyers meet their climate goals. Our GEM™ aluminium, a low-carbon aluminium, emits a carbon footprint of less than 4.0 metric tonnes of CO<sub>2</sub>e emissions per metric tonne of aluminium, covering Scope 1 and 2 GHG emissions. Its product carbon footprint is significantly lower than the industry average, measured within a cradle-to-gate boundary. Additionally, our innovative CYCAL™ billet integrates GEM™ with high recycled aluminium content, offering a balance of quality and low-carbon emissions.
- ▶ **Pillar 4: Reducing Carbon Footprint Across Value Chain**  
Source raw materials with a lower carbon footprint through supplier engagement, contributing to GHG reduction across our supply chain. By using supplier-specific Life Cycle Assessment (“LCA”) data for alumina, we reduce GHG emissions by providing more accurate data compared to average methods with higher GHG emissions factors.

Each pillar has short- and long-term strategies identified under each, as detailed below.

<b>Pillar 1</b>	<b>Strengthening Business Resiliency Over Climate Risk</b>
<p><b>Short-Term Strategy</b></p> <ul style="list-style-type: none"> <li>Align our climate action approach with the ISSB framework, building on the principles of the TCFD.</li> <li>Conduct climate scenario analysis and climate modelling.</li> </ul>	<p><b>Long-Term Strategy</b></p> <ul style="list-style-type: none"> <li>Efforts to mitigate and adapt to climate impact.</li> <li>Integrate climate change risks into the enterprise risk management processes.</li> </ul>
<p><b>Progress</b></p> <ul style="list-style-type: none"> <li>Adopted the “outside-in” approach as prescribed by TCFD, entailing the identification of climate change impacts on our business model.</li> <li>Undertook climate risk assessment and evaluated the business impact of our climate risks through scenario analysis.</li> <li>Integrated climate change adaptation actions into our climate strategy and incorporated climate risks into our business decision-making process.</li> <li>Integrated climate risk assessment and adaptation planning into our risk management and business continuity planning.</li> <li>Developed a dedicated Climate-related Risk Register that incorporates the identified physical and transition risks.</li> <li>Established internal carbon price (shadow pricing), enabling the assessment of climate impacts associated with projects. The shadow price will be enable analysis of GHG emissions on returns, evaluate associated risks, and support strategic planning.</li> </ul>	
<b>Pillar 2</b>	<b>Reducing Operational Carbon Footprint</b>
<p><b>Short-Term Strategy</b></p> <ul style="list-style-type: none"> <li>Review and align our GHG-related targets and metrics with reference to TCFD Framework.</li> <li>Conduct Scope 1 and 2 GHG emissions inventory.</li> </ul>	<p><b>Long-Term Strategy</b></p> <ul style="list-style-type: none"> <li>Implement a GHG abatement and offset programme.</li> </ul>
<p><b>Progress</b></p> <ul style="list-style-type: none"> <li>Purchased renewable energy certificates to increase our deployment of low-carbon energy.</li> <li>Expanded solar capacity to 14.7 MW in 2024 with an additional 1.2 MW from PMBA Nilai 2.</li> <li>In progress to install 6.3 MW of rooftop solar systems across downstream entities (PMI, PMBA Klang, PMBA Nilai 1), targeted for completion in 2025.</li> <li>Converted an additional seven (7) diesel forklifts to EVs in 2024, bringing the total to 34, supporting our transition to low-carbon mobility.</li> <li>Identified operational efficiency improvement opportunities while consistently tracking our performance and initiatives against our KPIs.</li> <li>Entered into collaboration agreement with XJTU for CCU research and development.</li> </ul>	

Caring for the Planet

**Pillar 3** Low-Carbon Product

**Short-Term Strategy**

- Introduce traceable technology to trace our products and their inputs.
- Identify GHG reduction opportunities from LCA hotspot analysis.
- Promote low-carbon aluminium products through circular economy.
- Introduce low-carbon product branding.

**Long-Term Strategy**

- Identify strategic partnerships.
- Develop circular product designs and production processes.

**Progress**

- Introduced low-carbon aluminium products, GEM™ and CYCAL™, to support GHG emissions reduction efforts. GEM™ is produced with less than 4.0 metric tonnes of CO<sub>2</sub>e per metric tonne of aluminium for Scope 1 (direct) and Scope 2 (indirect) GHG emissions. Its product carbon footprint is significantly lower than the industry average, measured within a cradle-to-gate boundary.
- CYCAL™ billet, integrates GEM™ with high content of recycled aluminium, offering an optimal balance of quality and reduced carbon emissions, further enhancing our commitment to sustainable aluminium production.
- Conducted LCAs\* to evaluate the environmental impacts of our aluminium products manufactured in PMBtu, PMS, PMAR and PMI, in accordance with the ISO 14040:2006 Environmental Management - Life Cycle Assessment standard, based on cradle-to-gate boundaries and is independently third-party verified.
- Performed quarterly Product Carbon Footprint (“PCF”) calculations for our primary aluminium products. This performance was independently verified in accordance with ISO 14064-3:2019 and with reference to ISO 14067:2018 standards.
- Sourced aluminium scrap from both local and international suppliers to increase the volume of scrap remelting, reducing reliance on primary aluminium and enhancing recycling efforts.
- Established aluminium buyback programmes in collaboration with customers and business partners.
- Press Metal, Sumitomo, and Nandina REM have partnered to support Nandina REM in scaling their world’s first Aviation-to-Electric Vehicle Circular Economy Model.

Note:

\* LCA is available upon request.

**Pillar 4** Reducing Carbon Footprint Across Value Chain

**Short-Term Strategy**

- Map Scope 3 GHG emissions across our value chain and identify material impacts in Scope 3.
- Strategically reduce Scope 3 GHG emission through supplier engagement.

**Long-Term Strategy**

- Identify hotspots, risks and opportunities across our value chain.
- Identify and source low-carbon raw materials through the Supplier Management Programme.

**Progress**

- Expanded Scope 3 GHG emissions calculation to encompass both midstream and downstream operations across twelve (12) categories, offering a more comprehensive assessment.
- This enhancement allows for better identification of key emission sources, particularly in Category 1 (purchased goods and services) and Category 3 (fuel and energy-related activities), which together account for approximately 80% of total Scope 3 GHG emissions. The expanded scope supports more targeted strategies to reduce GHG emissions across the value chain.
- Identified alumina supply as a significant GHG emissions hotspot in smelter and enabled targeted actions to address upstream GHG emissions.
- Promoting sustainable sourcing practices to source low-carbon raw materials.

## Caring for the Planet

### Climate Change Enablers

The achievement of our GHG reduction targets, along with the net-zero emissions target by 2050, was supported by four (4) key Climate Change Enablers that underpinned the four (4) pillars of our Climate Change Strategy. In FYE2024, the Group strengthened efforts by leveraging these enablers, as detailed in the table below.

Climate Change Enabler	Activities in FYE2024
Climate Governance	Press Metal has updated its climate change policy from carbon neutrality commitment to a net-zero emissions target. Our climate reduction targets now include Scope 3 upstream GHG emissions in addition to Scope 1 and 2 GHG emissions.
Internal Climate-Related Capacity Building	Press Metal focuses on enhancing employee knowledge and building internal capacity by conducting regular climate-related training on topics such as climate mitigation and adaptation, sustainability financing, circular economy and life cycle assessment.  Total climate-related training hours: 16,068 hours.
Internal Carbon Pricing Mechanism	Press Metal established its ICP (shadow pricing) with a price of RM34.25/ tCO <sub>2</sub> e. This ICP will be applied in our investment decision strategy as well as in assessing and managing the climate risk impacts.
Integrated Climate Reporting System	We have launched a centralised climate reporting system to collect the GHG emissions data across our subsidiaries, which allows us to monitor the data timely and streamline the data analysis and data reporting process.

In FYE2024, Press Metal invested a total of RM29.0 million on climate-related initiatives. Moving forward, we have earmarked a budget of RM33.0 million for 2025.

### Operational Process Enhancements for GHG Reduction

As part of our ongoing commitment to improving sustainability and operational efficiency across our operating facilities, we implemented a range of initiatives that are aimed at reducing GHG emissions and boosting energy efficiency. These initiatives include:

- Upgraded pot lining design with fully graphitised cathode to enhance stability of metal pad, lower energy consumption and enhance operational efficiency.
- Investing in digitalisation and automation to integrate all functional levels, provide full visibility of smelter operations, monitor pot health in real time, and enhance operational efficiency.
- Automated clearing of solidified alumina in air slides to prevent blockages and ensures a smooth supply for feeding, helping to prevent the occurrence of anode effects.
- Anode rod cleaning using laser to improve the surface contact resistance between anode and anode beam and reduce the pot energy consumption.
- Pot tending machine shovel installation to enhance fallen crust material and carbon dust skimming inside the anode changing cavity during the anode changing process.
- Asymmetrical anode to reduce anode current density for energy intensity reduction.
- The deployment of additional seven (7) electric forklifts to replace conventional forklifts in 2024 brought our total to 34 electric forklifts, avoiding a total of 820 tCO<sub>2</sub>e annually, supporting our transition to low-carbon mobility.

## Caring for the Planet

Additionally, in FYE2024, both PMBtu and PMS achieved notable process improvements, leading to a substantial decrease in PFC emissions and contributing to overall GHG emissions reduction. Factors contributing to this improvement include:

<b>Pot Controller Upgrade and Intelligent Crust Breaker Installation</b>	Upgraded pot controllers and conventional crust breakers to energy-efficient intelligent versions, enhanced control over sludge and anode effects.
<b>Improved Operational Efficiency</b>	Increased manpower efficiency during daily operations for consistent electrolyte level maintenance.
<b>Enhancement of the Anode Effect Handling Method</b>	Improved on-site work quality monitoring and faster reaction to pot abnormalities.
<b>Mitigating Setbacks Caused by Poor Alumina Quality</b>	Addressed issues related to alumina quality to prevent anode effects.

To achieve our interim GHG reduction target, the Group implemented R&D initiatives and improvement projects at both the strategic and operational levels of our entities. Our R&D focus areas concentrated on three (3) main themes: energy reduction, decarbonisation and Industry 4.0 transformation.

### Forging Collaborative Efforts in Addressing Climate Change

Press Metal fosters collaboration across the industry, working alongside governmental bodies, NGOs and local communities to drive sustainability across the value chain.

In FYE2024, Press Metal entered into a collaboration agreement with XJTU in an MoU to develop a CCU model for its manufacturing processes. Under the terms of the agreement, both parties will jointly own the resulting intellectual property. XJTU brought significant expertise to the initiative, with the conduct of 13 related research projects and holding ten (10) patents in the field. The project was supported by RMB12 million (approximately RM7.7 million) grant from Press Metal and is scheduled for completion by August 2026, with the objective of developing a commercially viable solution.

To strengthen our commitment to circular economy principles, Press Metal partnered with Sumitomo and Nandina REM to support the development of the world’s first Aviation-to-Electric Vehicle Circular Economy Model. This initiative leverages Press Metal’s aluminium scrap remelting capabilities to recycle aviation-grade aluminium scrap, contributing to a more sustainable supply chain.

### Assessing Climate-related Risks & Opportunities

We conducted a thorough climate scenario analysis based on the IPCC Representative Concentration Pathway (“RCP”) 8.5/ 4.3°C (business as usual) and 2.6/ 1.8°C (more stringent) scenarios. The analysis enabled us to identify opportunities to address emerging climate-related policies and regulations, facilitating the adoption of proactive measures to improve our risk stance.

These global GHG emissions scenarios were closely intertwined with the IPCC Shared Socioeconomic Pathways (“SSP”) 5 and SSP 1, respectively.

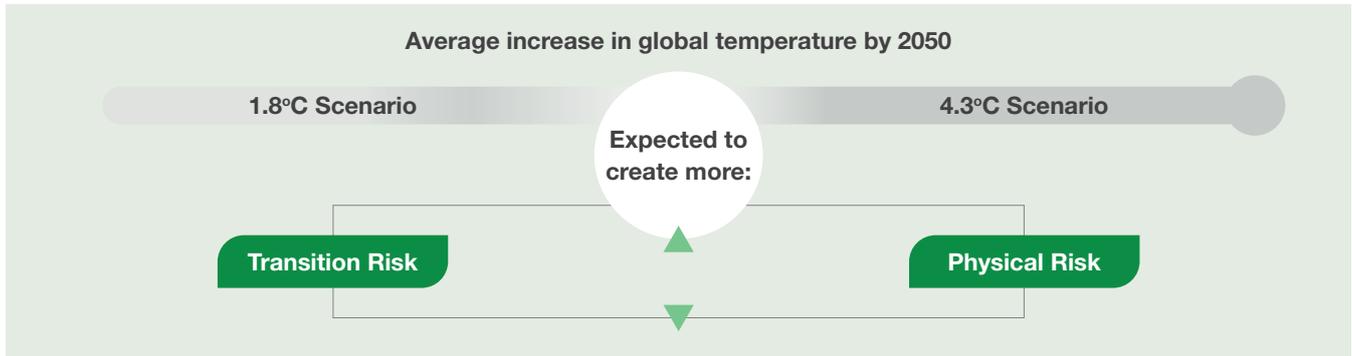
#### IPCC RCP 8.5

This climate scenario projects a significant rise in global temperatures (4.3°C by 2100) due to rapid GHG emissions growth, resulting in a broad spectrum of environmental impacts.

#### IPCC RCP 2.6

This climate scenario projects a modest increase in the global mean temperature (1.8°C by 2100), with a subsequent decline in GHG emissions by mid-century and the eventual attainment of net negative GHG emissions in the latter half of the century.

## Caring for the Planet



Descriptions of the factors considered under each scenario are as in the table below. Based on the findings, transition risks were most significant in the IPCC RCP 2.6/ 1.8°C (more stringent) scenario due to greater demands from stakeholders to accelerate the rate of the transition to a low-carbon economy. On the other hand, physical risks were most significant in the IPCC RCP 8.5/ 4.3°C (business as usual) scenario due to the greater evolution in the climate.

	IPCC RCP 8.5	IPCC RCP 2.6
<b>Political Regulation</b>	Fragmented institutional support hindering the transition to “Net-Zero” emissions	Enhanced operational resilience through global cooperation, regulatory alignment, and future-proofing standards
<b>Economic Growth</b>	Rising competition for limited resources exacerbating inequality and impeding renewable growth	Sustained economic growth driven by the transition to renewable energy sources
<b>Social Collaborative</b>	Lack of proactive measures despite mounting pressure from stakeholders	Growing attention and pressure from diverse stakeholders regarding climate change issues
<b>Technological Innovation</b>	Sluggish advancement towards viable solutions and the uptake of new technologies	Advancements in renewable energy R&D alongside efforts to enhance emissions reduction technologies
<b>Environmental Caution</b>	Heightened physical risks and uncertainties regarding future risks due to inadequate information	Continuous commitment to adapting to evolving environmental regulations and heightened awareness
<b>Legal Action</b>	Increasing CO <sub>2</sub> e prices alongside sluggish and ambiguous legal frameworks, necessitating enhanced regulatory clarity	Implementation of carbon pricing mechanisms and supportive legal frameworks to bolster climate action across sectors

## Caring for the Planet

### Transition Risks

Transition risks refer to the changes that an organisation is expected to encounter and navigate as society transitions to a low-carbon economy.

Potential Risks	Implications		Potential Opportunities
	IPCC RCP 8.5	IPCC RCP 2.6	
<b>Type of Transition Risk: Regulatory</b>			
<b>Category: Environmental regulations</b>			
<ul style="list-style-type: none"> <li>Increased costs and production halts when adapting processes to new regulations.</li> <li>Suspension of operations, fines, or penalties for non-compliance.</li> <li>Greater regulatory and reporting requirement scrutiny.</li> <li>Increased raw material costs and strategic impacts from carbon tax implementation.</li> </ul>	<ul style="list-style-type: none"> <li>Medium risk associated with climate change policy and legislation in view of a lenient approach by the regulators towards climate-related issues.</li> <li>Medium risk associated with less pressure and urgency to develop internal carbon price leading to less competitive bidding and reduced interest in carbon pricing within the market.</li> </ul>	<ul style="list-style-type: none"> <li>High risk associated with meeting expectations and commitments to adhere to stringent policies and regulations, which necessitates more investment in low-carbon technology and heightened monitoring and analysis of climate-related risks.</li> </ul>	<ul style="list-style-type: none"> <li>Boosting low-carbon economy and contributing to circular economy.</li> <li>Premium pricing for lower carbon-content products.</li> </ul>
<b>Category: Carbon pricing</b>			
<ul style="list-style-type: none"> <li>Increased raw material costs and strategic impacts from carbon tax implementation.</li> </ul>	<ul style="list-style-type: none"> <li>Medium risk associated with less pressure and urgency to develop internal carbon price leading to less competitive bidding and reduced interest in carbon pricing within the market.</li> </ul>	<ul style="list-style-type: none"> <li>High risk is linked to the widespread adoption of carbon pricing mechanisms in the market, impacting the supply chain and increasing OPEX, such as rising raw material prices and excessive logistics costs.</li> <li>High risk associated with failure to comply with the Carbon Border Adjustment Mechanism potentially resulting in the inability to export to the EU.</li> </ul>	<ul style="list-style-type: none"> <li>Adopting internal carbon pricing to enhance adaptability.</li> <li>Leveraging incentives for low-carbon technologies.</li> <li>Incentives from carbon pricing implementation to develop low-carbon technology.</li> </ul>

## Caring for the Planet

Potential Risks	Implications		Potential Opportunities
	IPCC RCP 8.5	IPCC RCP 2.6	
<b>Type of Transition Risk: Market</b>			
<b>Category: Shift in customer preferences</b>			
<ul style="list-style-type: none"> <li>Revenue loss due to lack of low-carbon products. Increased competition in meeting evolving preferences.</li> <li>Scarcity of raw material sources that can meet their requirements for lower carbon emission products.</li> </ul>	<ul style="list-style-type: none"> <li>High risk arises from customer demands for cheaper products rather than low-carbon alternatives, resulting in lower profits and sales, which can potentially impact business sustainability.</li> </ul>	<ul style="list-style-type: none"> <li>High risk associated with evolving customer preferences towards low-carbon products, necessitating increased investment in low-carbon technology, thereby raising both operating expenses ("OPEX") and capital expenditures ("CAPEX").</li> </ul>	<ul style="list-style-type: none"> <li>Developing low-carbon products and circular economy offerings to meet market demands.</li> </ul>
<b>Category: Overall market changes</b>			
<ul style="list-style-type: none"> <li>Increased investment in GHG emissions reduction technology.</li> <li>Reduced availability of recycled aluminium.</li> <li>Increased risks of equipment shut-down or write-off if unable to meet low-carbon requirements of the market.</li> </ul>	<ul style="list-style-type: none"> <li>High risk due to the low demand for low-carbon products in the market, reducing Press Metal's competitiveness despite its commitment to decarbonisation efforts in producing such products.</li> </ul>	<ul style="list-style-type: none"> <li>High risk associated with rising demand for low-carbon products by major market players, requiring greater compliance efforts and resources for sourcing and production to meet market demands.</li> </ul>	<ul style="list-style-type: none"> <li>Generating revenue through sector-specific initiatives and higher-margin products aligned with market demands.</li> <li>Development of new products which contribute favourably to revenue.</li> </ul>
<b>Type of Transition Risk: Technological</b>			
<b>Category: Low-carbon technologies</b>			
<ul style="list-style-type: none"> <li>High R&amp;D costs and disruptions during technology transitions.</li> <li>Potential investment loss from investing in R&amp;D and new technologies.</li> <li>Increased disruptions in existing work processes when implementing new technologies.</li> </ul>	<ul style="list-style-type: none"> <li>Low risk associated with limited motivation to deploy decarbonisation technology to achieve carbon neutrality targets and the underdevelopment of R&amp;D in the market, resulting in minimal impact on CAPEX.</li> </ul>	<ul style="list-style-type: none"> <li>High risk associated with the deployment of technology at a premium cost due to limited in-house R&amp;D capabilities.</li> </ul>	<ul style="list-style-type: none"> <li>Long-term cost savings, regulatory compliance, and GHG emissions reduction.</li> </ul>
<b>Category: Product changes and effects</b>			
<ul style="list-style-type: none"> <li>Heightened competition for leadership in low-carbon products.</li> </ul>	<ul style="list-style-type: none"> <li>Low risk associated with both the low demand for recycled aluminium by customers and the availability of low-carbon aluminium in the market.</li> </ul>	<ul style="list-style-type: none"> <li>High risk associated with the growing demand for recycled aluminium from customers, driven by increasing regulatory requirements for climate action. This surge in demand is leading to a shortage of secondary or recycled aluminium in the scrap market.</li> <li>High risk arises from diverging fundamental criteria for low-carbon aluminium in the market. Different countries have varying requirements, and these criteria may change with shifts in market perspectives.</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced innovation and emerging market penetration for low-carbon products.</li> </ul>

Caring for the Planet

Potential Risks	Implications		Potential Opportunities
	IPCC RCP 8.5	IPCC RCP 2.6	
<b>Type of Transition Risk: Reputation</b>			
<b>Category: Litigations, fines and non-compliance</b>			
<ul style="list-style-type: none"> <li>Delays, project refusals, and financial penalties due to non-compliance with regulations.</li> <li>Increased costs to settle litigation cases and fines arising from non-compliance with environmental regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Low risk due to the absence of comprehensive climate control measures, minimal compliance requirements and the slow development of climate-related regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Low risk is evident as there are mitigation controls in place, including strategies, plans, and actions to ensure compliance with climate change regulatory requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Improved preparedness to meet climate-related regulations and avoid penalties.</li> </ul>
<b>Category: Negative investors and public perception</b>			
<ul style="list-style-type: none"> <li>Potential reputational damage.</li> <li>Delayed regulatory approvals on expansion plans.</li> </ul>	<ul style="list-style-type: none"> <li>Low risk due to limited public awareness and minimal pressure from stakeholders to implement climate change strategies.</li> </ul>	<ul style="list-style-type: none"> <li>Low risk as Press Metal continuously engages with stakeholders to provide updates on our climate-related strategies.</li> </ul>	<ul style="list-style-type: none"> <li>Branding the Group in a positive manner by leveraging our climate change efforts.</li> </ul>
<b>Category: Talent retention and attraction</b>			
<ul style="list-style-type: none"> <li>Recruitment challenges and increased costs to align employer branding with climate action goals.</li> </ul>	<ul style="list-style-type: none"> <li>Low risk is observed since social concern and climate change awareness are not heavily emphasised in talent retention and attraction, aligning with normal operating procedures.</li> </ul>	<ul style="list-style-type: none"> <li>Medium risk is attributed to the prioritisation of remuneration over climate change responsibilities and social concerns. Efforts have been made to retain and recruit talent, although the impacts remain modest.</li> </ul>	<ul style="list-style-type: none"> <li>Increased employee engagement through awareness initiatives and knowledge-sharing on climate efforts.</li> </ul>
<b>Category: Social changes arising from climate change</b>			
<ul style="list-style-type: none"> <li>Operational disruptions and conflicts due to local disputes or pressures from low-carbon lifestyles.</li> </ul>	<ul style="list-style-type: none"> <li>Medium risk associated with the gradual increase of public awareness of climate change risks in society.</li> </ul>	<ul style="list-style-type: none"> <li>Medium risk is associated with social changes driven by end-user product makers, who utilises marketing strategies and branding to promote public awareness of living a low-carbon footprint lifestyle. Meeting the market's demand for low-carbon products is essential.</li> </ul>	<ul style="list-style-type: none"> <li>Encouraging greater employee contribution and participation by increasing awareness on climate change.</li> </ul>

## Caring for the Planet

### Physical Risk

Physical risks refers to the direct and tangible impacts of climate change on organisations.

Potential Risks	Implications		Potential Opportunities
	IPCC RCP 8.5	IPCC RCP 2.6	
<b>Acute</b> (such as the increased severity of extreme weather events like cyclones and floods)			
<p><b>Upstream</b></p> <ul style="list-style-type: none"> <li>Delays and disruptions in material sourcing due to extreme weather.</li> <li>Increased costs of bauxite due to reduced supply.</li> </ul> <p><b>Operations</b></p> <ul style="list-style-type: none"> <li>Increased supply chain disruptions and operational delays.</li> <li>Higher incidence of damage to facilities and increased insurance premiums.</li> </ul> <p><b>Downstream</b></p> <ul style="list-style-type: none"> <li>Disruptions in transportation channels leading to additional costs.</li> <li>Potential revenue loss due to delays in fulfilling customer orders.</li> <li>Increased customer awareness of risks, potentially leading to changes in contract clauses.</li> </ul>	<ul style="list-style-type: none"> <li>High risk attributed to the heightened frequency and severity of extreme weather events, which have significant impacts on infrastructure, supply chains and factory operations.</li> <li>High risk related to the inability to renew insurance coverage.</li> </ul>	<ul style="list-style-type: none"> <li>Medium risk in view of potential disruption on operations, leads to the development of internal climate mitigation strategy to address risks associated with extreme weather events.</li> </ul>	<p><b>Upstream</b></p> <ul style="list-style-type: none"> <li>Improved climate resiliency through sustainable mining practices.</li> </ul> <p><b>Operations</b></p> <ul style="list-style-type: none"> <li>Business opportunities and partnerships through diversified supply chains.</li> <li>Enhanced business resiliency and adaptability to climate change, maintaining customer trust.</li> <li>Economic benefits from contributing to climate change mitigation and striving for net-zero emissions by 2050.</li> </ul> <p><b>Downstream</b></p> <ul style="list-style-type: none"> <li>Steady supply and revenue as customers rely on Press Metal's resilience in meeting contractual terms.</li> </ul>
<b>Chronic</b> (including rising temperatures and sea levels, changes in precipitation patterns and extreme variability in weather patterns)			
<p><b>Upstream</b></p> <ul style="list-style-type: none"> <li>Long-term increase in cost of bauxite due to reduced supply from climate changes affecting mining operations.</li> </ul> <p><b>Operations</b></p> <ul style="list-style-type: none"> <li>Increased maintenance costs, manpower, and resources due to higher precipitation, humidity, and flooding.</li> <li>Higher damages to physical assets and production disruptions from rising temperatures and sea levels.</li> <li>Increased health-related issues due to climate-related factors.</li> <li>Higher insurance premiums or reduced availability of insurance plans.</li> </ul> <p><b>Downstream</b></p> <ul style="list-style-type: none"> <li>Decreased revenues from more frequent disruptions delaying customer contract fulfillment.</li> <li>Loss of revenue as customers shift to alternative materials due to aluminium shortages.</li> </ul>	<ul style="list-style-type: none"> <li>High risk emerges from the potential relocation of factories, leading to increased OPEX and CAPEX.</li> </ul>	<ul style="list-style-type: none"> <li>Medium risk considering the existing factories situated on higher ground remain unaffected, although operational delays are anticipated.</li> <li>Medium risk is present concerning environmental compliance and potential litigation issues.</li> </ul>	<p><b>Upstream</b></p> <ul style="list-style-type: none"> <li>Improved climate resiliency through sustainable mining practices.</li> </ul> <p><b>Operations</b></p> <ul style="list-style-type: none"> <li>Business opportunities and partnerships through diversified supply chains.</li> <li>Enhanced business resiliency and adaptability to climate change, maintaining customer trust.</li> <li>Economic benefits from contributing to climate change mitigation and striving for net-zero emissions by 2050.</li> </ul> <p><b>Downstream</b></p> <ul style="list-style-type: none"> <li>Steady supply and revenue as customers rely on Press Metal's resilience in meeting contractual terms.</li> </ul>

## Caring for the Planet

## HOW WE PERFORMED IN 2024



Scope 1, 2, and 3 GHG emissions were calculated in accordance with the IAI's Aluminium Sector GHG Protocol. Methodologies adhered to the Intergovernmental Panel on Climate Change ("IPCC") Guidelines for National GHG Inventories, with all emissions converted to CO<sub>2</sub>e using factors prescribed by the GHG Protocol and the IPCC Sixth Assessment Report ("AR6").

For Scope 3 GHG emissions, twelve (12) out of fifteen (15) categories were reported and disclosed in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and the Technical Guidance for Calculating Scope 3 Emissions. A comprehensive methodology was applied, incorporating average-data, spend-based, distance-based, and supplier-specific approaches to enhance reporting accuracy and robustness.

The 'operational control' approach was adopted for GHG calculations, accounting for emissions from all operations under operational control while excluding those from leased assets. This includes GHG emissions from on-site manufacturing across midstream entities (PMBtu, PMS, PMAR) and downstream entities (PMI, PMIT, PMBA).

For GHG emissions, intensity calculations, GHG emissions encompass Scope 1, Scope 2, and upstream Scope 3 GHG emissions (Categories 1, 3, and 4), in alignment with our defined target methodology.

Key Performance Indicator	2022	2023	2024
<b>GHG Emissions Data (kilotonnes CO<sub>2</sub>e)*</b>			
Total direct and indirect GHG emissions (Scope 1, 2, and 3) location-based	14,311.7	13,541.1	<b>12,556.6</b>
Total direct and indirect GHG emissions (Scope 1, 2, and 3) market-based*	14,247.1	12,619.4	<b>11,959.8</b>
Total direct GHG emissions (Scope 1)*	2,220.5	2,171.4	<b>1,793.6</b>
Total indirect GHG emissions (Scope 2) location-based	3,022.2	3,030.9	<b>2,885.4</b>
Total indirect GHG emissions (Scope 2) market-based*	2,957.6	2,109.2	<b>2,288.6</b>
Other indirect GHG emissions (Scope 3)*	9,069.0	8,338.8	<b>7,877.6</b>

## Notes:

1. FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
  2. FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.
  3. Scope 1 includes direct GHG emissions from facilities owned or controlled, and includes fuel use for mobile and stationary combustion, anode and reductant use, and process GHG emissions, while fugitive emissions are not accounted for, as their materiality has been assessed as insignificant in our operations. Scope 2 includes indirect GHG emissions from purchased electricity from the grid.
  4. PMBtu, PMS, PMAR, and PMBA Electricity Emission Factors: Based on the Grid Emission Factor ("GEF") for the years 2017 - 2022 published by Suruhanjaya Tenaga Malaysia in 2024.
  5. PMI and PMIT GHG Emissions Factors: Based on the national factor of China in FYE2022.
  6. Scope 3 includes all other indirect GHG emissions within the value chain which is not owned or controlled by the reporting entity. Scope 3 GHG emissions data above covered twelve (12) out of fifteen (15) categories.
- \* The figures for FYE2022 and FYE2023 have been restated to reflect the following updates:  
 Scope 1: Enhanced GHG calculation methodology incorporating the updated Global Warming Potential ("GWP") values from the GHG Protocol, based on IPCC AR6 (applicable to FYE2023).  
 Scope 2 (Market-Based): Revised electricity emission factors, specifically the updated GEF for 2017-2022, as provided by Suruhanjaya Tenaga Malaysia.  
 Scope 3: Inclusion of GHG emissions from downstream entities (PMI, PMIT and PMBA Klang) and adoption of an improved calculation methodology for greater accuracy and comprehensiveness.

## Caring for the Planet

In FYE2024, we achieved a 16.3% reduction against our baseline — exceeding our 2025 target ahead of schedule. This progress was largely driven by improvements in Scope 3 upstream GHG emissions data, supported by our responsible sourcing efforts and active engagement with suppliers.

Despite this achievement, challenges remain. While Scope 3 GHG emissions improvements contributed significantly to our overall performance, reductions in Scope 1 and 2 GHG emissions were comparatively lower, highlighting areas that require further attention. Following the fire incident at PMBtu, pot start-up activities led to a temporary increase in electricity consumption. However, overall Scope 2 GHG emissions intensity (location-based) continued to decline, as efficiency measures across operations offset the short-term increase.

Key Performance Indicator	2022	2023	2024
<b>GHG Emissions Intensity Data (tCO<sub>2</sub>e/ tonne of aluminium)*</b>			
Total direct and indirect GHG emissions intensity (Scope 1, 2 & 3)	10.1	8.7	<b>8.6</b>
Total direct and indirect GHG emissions intensity (Scope 1 & 2)	4.0	3.3	<b>3.2</b>
Total direct GHG emissions intensity (Scope 1)	1.7	1.7	<b>1.4</b>
Total indirect GHG emissions intensity (Scope 2)	2.3	1.6	<b>1.8</b>
Total indirect GHG emissions intensity (Scope 3)	6.1	5.4	<b>5.4</b>

### Notes:

- FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
  - FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.
  - Scope 1 includes direct GHG emissions from facilities owned or controlled, and includes fuel use for mobile and stationary combustion, anode and reductant use, and process GHG emissions, while fugitive emissions are not accounted for, as their materiality has been assessed as insignificant in our operations.
  - Scope 2 includes indirect GHG emissions from purchased electricity from the grid.
  - Scope 3 includes upstream GHG emissions within the supply chain which is not owned or controlled by the reporting entity which include only categories 1, 3, and 4, covering GHG emissions from purchased goods and services, fuel- and energy-related activities, and upstream transportation and distribution respectively.
- \* The figures for FYE2022 has been restated to reflect enhancements in the GHG calculation methodology and updated GEF for 2017-2022, as published by Suruhanjaya Tenaga Malaysia. These updates are in accordance with the GHG Protocol's revised GWP based on IPCC AR6.

Scope 1 GHG Emissions by Category (kilotonnes CO <sub>2</sub> e)*	2022	2023	2024
CO <sub>2</sub>	1643.9	1,674.1	<b>1,574.2</b>
CH <sub>4</sub> *	0.1	0.1	<b>0.1</b>
N <sub>2</sub> O	1.4	1.2	<b>1.1</b>
PFCs	575.1	496.0	<b>218.2</b>
Total Scope 1*	2,220.5	2,171.4	<b>1,793.6</b>

### Notes:

- Scope 1 includes direct GHG emissions from facilities owned or controlled, and includes fuel use for mobile and stationary combustion, anode and reductant use, and process GHG emissions, while fugitive emissions are not accounted for, as their materiality has been assessed as insignificant in our operations.
  - FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
  - FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.
- \* The figures disclosed have been restated for FYE2022 and FYE2023 to reflect the GHG calculation methodology enhancement in accordance with the updated GWP of GHG Protocol based on IPCC AR6.

## Caring for the Planet

Scope 3 GHG Emissions by Category*	Emission in Aluminium Value Chain (kilotonnes CO <sub>2</sub> e)		
	2022	2023	2024
<b>Upstream: Scope 3 GHG Emissions</b>			
Category 1: Purchased goods and services	4,928.8	4,250.6	<b>4,127.6</b>
Category 2: Capital goods	1.8	1.3	<b>1.8</b>
Category 3: Fuel- and energy-related activities	2503.1	2,510.7	<b>2,396.9</b>
Category 4: Upstream transportation and distribution	318.8	200.6	<b>169.5</b>
Category 5: Waste generated in operations	55.2	63.2	<b>50.3</b>
Category 6: Business travel	0.3	3.1	<b>5.1</b>
Category 7: Employee commuting	10.0	20.4	<b>15.1</b>
Category 8: Upstream leased assets <sup>3</sup>	NR <sup>3</sup>	NR <sup>3</sup>	<b>NR<sup>3</sup></b>
Others: Contractors and suppliers' commuting (air travel)	0.1	1.9	<b>0.0</b>
<b>Downstream: Scope 3 GHG Emissions</b>			
Category 9: Downstream transportation and distribution	2.5	2.2	<b>3.4</b>
Category 10: Processing of sold products	813.5	814.7	<b>726.1</b>
Category 11: Use of sold products <sup>4</sup>	NA <sup>4</sup>	NA <sup>4</sup>	<b>NA<sup>4</sup></b>
Category 12: End-of-life treatment of sold products	5.1	5.0	<b>4.4</b>
Category 13: Downstream leased assets	2.9	2.9	<b>4.7</b>
Category 14: Franchise <sup>3</sup>	NR <sup>3</sup>	NR <sup>3</sup>	<b>NR<sup>3</sup></b>
Category 15: Investments	426.9	462.2	<b>372.7</b>
<b>Total Scope 3 GHG Emissions</b>	<b>9,069.0</b>	<b>8,338.8</b>	<b>7,877.6</b>

## Notes:

1. FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
  2. FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.
  3. Data not relevant as Press Metal has adopted the operational control approach and does not have any franchised operations.
  4. Data unavailable.
- \* The figures disclosed have been restated for FYE2022 and FYE2023 to include emissions from downstream (PMI, PMIT, and PMBA Klang) facilities and to reflect the adoption of an enhanced calculation methodology.

**GOING FORWARD**

Addressing this critical challenge requires a unified and collaborative approach, engaging businesses, governments, communities, and individuals. As a responsible organisation, we play an essential role in advancing this collective effort.

In alignment with Malaysia's net-zero commitment, Press Metal's ambition is guided by a comprehensive Climate Change Strategy, which prioritises the adoption of renewable energy, enhancements in energy efficiency, the promotion of circular economy principles, and the strengthening of climate resilience. At the same time, a proactive approach will be maintained in managing climate-related risks while identifying opportunities arising from the evolving climate landscape.

Through driving awareness and promoting climate action across the workforce, alongside strategic collaboration with public and private sector partners, a shared vision for climate action will be cultivated. In adopting bold and inclusive strategies, the aim is to drive meaningful change, supporting a resilient, low-carbon future that benefits both present and future generations.

## Caring for the Planet

**ENERGY MANAGEMENT**

GRI 3-3, GRI 302-1, GRI 302-3, GRI 302-4

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**Capitals****SDGs****WHY IT MATTERS**

We understand the fundamental role of energy in sustaining our operations, given the inherently energy-intensive nature of aluminium production. The aluminium smelting process requires significant electricity consumption, making energy efficiency and the continuous pursuit of renewable energy transition critical to our sustainability strategy.

We will continue to explore opportunities to integrate renewable energy solutions while enhancing operational efficiency through targeted energy conservation initiatives. These efforts align with our commitment to reducing operational GHG emissions and contributing to the broader global decarbonisation agenda. In line with Malaysia's ambition to achieve net-zero GHG emissions by 2050, we will continue to be focused on implementing sustainable energy solutions that support long-term environmental and economic resilience.

**OUR APPROACH****Robust Energy Management Oversight**

A governance framework has been established to oversee our Energy Management System ("EnMS"), ensuring a structured and effective approach to energy efficiency and sustainability. Within this ISO 50001:2018 certified framework, a dedicated Steering Committee, supported by the Energy Management Representative ("EnMR") and cross-functional teams is responsible for the implementation and maintenance. This structure enables continuous monitoring of energy utilisation, identification of efficiency opportunities and regular performance reviews to drive continuous improvements in energy management.

In addition, dedicated working groups are formed to oversee energy-saving initiatives, particularly in machinery operations. These groups hold regular meetings to assess technical modifications, evaluate potential energy-saving investments and develop improvement plans for areas with high energy consumption.

**Embedding Sustainable Energy Practices**

The Group's Energy Management Policy ("EnMP") promotes sustainable energy practices through the adoption of innovative technologies, increased use of renewable energy and prioritisation of energy-efficient products and services. This policy optimises performance improvements while fostering energy conservation awareness among employees.

Further details of this policy are available on the corporate website at <https://www.pressmetal.com/investor-relations/corporate-governance.php>.

**Enhancing Energy Efficiency Through ISO 50001:2018 Certification**

Our smelting operations (PMBtu and PMS) and extrusion facility (PMI) are accredited with ISO 50001:2018 certification, consistent with effective energy management. These certified manufacturing facilities underwent annual surveillance audits to maintain compliance and assess the effectiveness of energy management systems. Additionally, our PMS had enhanced EnMS practices by incorporating input from cross-departmental site inspections through the introduction of QR code system for ISO 50001:2018 feedback.

Management reviews play a critical role in ensuring that the EnMS operates soundly and effectively. These reviews are periodically conducted, to set performance objectives, evaluate progress and implement targeted action plans aimed at elevating energy efficiency and savings. Risks and opportunities are systematically assessed, considering the potential impacts of the operations. Any progress or update will be communicated during the review to promote continuous improvement and sustained advancements in energy performance.

## Caring for the Planet

### Expanding Renewable Energy Integration

While hydroelectric power is the primary renewable energy source used in our smelting operations, we are actively exploring the integration of other renewable energy sources into our production processes to further reduce the reliance on conventional energy. Details of the Group's use of other renewable energy sources can be found in the *Our Value Creation* section below.

### Driving Operational Efficiency

Beyond the adoption of renewable energy, the Group is focused on improving the overall energy efficiency of its operations. Process optimisation, equipment upgrades and retrofitting initiatives were adopted to manage energy usage. To further enhance energy performance, operational adjustments are continuously instituted across our manufacturing facilities.

#### OUR VALUE CREATION



As a responsible aluminium producer, we strive to optimise efficiency, reduce consumption and transition towards renewable energy sources. Through active engagement in R&D initiatives, we continued to refine our operational processes to lower GHG emissions and to improve our energy efficiency. Our continued investments in technology-driven solutions strengthened our long-term sustainability objectives and supported our transition towards lower-carbon operations.



Further details on our energy efficiency measures and R&D initiatives can be found in the *Climate Change and Sustainable Manufacturing* sections of this SR 2024.

### Expanding Renewable Energy Integration

In FYE2024, an additional 1.2 MW of solar power capacity was installed at PMBA Nilai 2, increasing the total capacity to 14.7 MW across casting and extrusion facilities, with an estimated annual reduction of 6,100 tCO<sub>2</sub>e in GHG emissions.

Further expansion is underway with a total installation capacity of 6.3 MW of rooftop solar systems across our downstream entities, targeted for completion in 2025. This includes the construction of a 2.8 MW rooftop solar system at PMBA Klang, a 2.5 MW solar system at PMBA Nilai 1, and a 1 MW solar system to be installed at our China operations, covering workshops, warehouses, canteens, and parking facilities. Upon completion of the expansion, our total solar power capacity will increase to 21 MW in 2025, raising the estimated annual reduction in GHG emissions to 10,900 tCO<sub>2</sub>e.

### Equipment Upgrades

Upgrading equipment is a key catalyst to enhancing energy efficiency, reducing emissions and improving operational effectiveness. Our efforts during the year included:

- Installed a Computer Numerical Control machine at the fabrication department to reduce acetylene consumption.
- Upgraded motors to high-efficiency models to achieve energy savings.
- Replaced flexible joints to reduce friction and energy loss, lowering the power consumption of the main blower induction motor.
- Replaced old frequency furnaces with energy-efficient models and improved insulation to reduce energy consumption.
- Upgraded the melting furnace to achieve natural gas savings.
- Upgraded homogenisation ovens to improve power and gas efficiency.
- Upgraded the cooling chamber to increase energy efficiency and optimise processes.
- Installed twin chamber melting furnaces at PMBA Klang, which enhances remelting capacity whilst reducing energy consumption. These furnaces optimise heat energy usage by capturing and reusing the heat during the charging process without affecting melting capacity, leading to significantly lower energy requirements.
- Transitioned 34 diesel forklifts to electric forklifts across manufacturing facilities, which reduces estimated GHG emissions by 820 tCO<sub>2</sub>e annually and aligns with our broader efforts to integrate cleaner technologies into our operations.
- Upgraded conventional natural gas and electricity meters to smart meters with remote consumption monitoring capabilities, improving overall operational efficiency.

## Caring for the Planet

### Process Optimisations

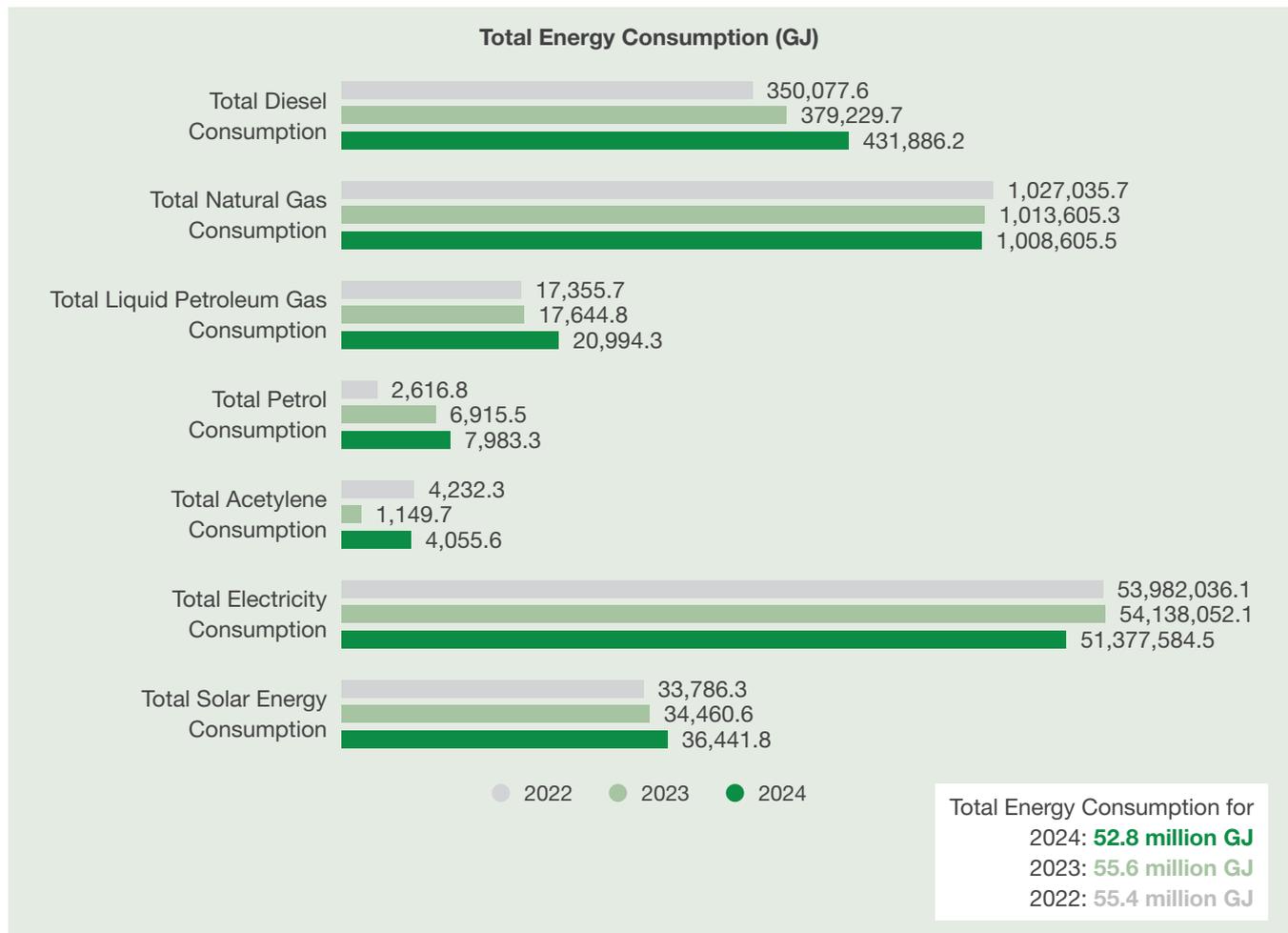
We continue to refine operational processes to maximise efficiency and sustainability while minimising environmental impact. Our efforts during the year included:

- The refurbishment and major maintenance of the furnace to maintain the internal temperature of the holding furnace, thereby reduced diesel consumption.
- Established diesel collection points within selected departments to reduce vehicle travel distances for refuelling.
- Deployed smart meters across high electricity-consuming equipment to enable real-time performance monitoring and proactively managed energy consumption.
- Replaced dust collectors with a smaller, more effective design to optimise dust and smoke capture.
- Modified the shape of the anode to optimise the distribution of electrical currents in the potline and to reduce anode current density, which resulted in a reduction in energy consumption and intensity.
- Enhanced anodising operations through modification of oxidised constructive copper seat that circulate overflow water system, thereby reduced water and energy consumption.

### HOW WE PERFORMED IN 2024



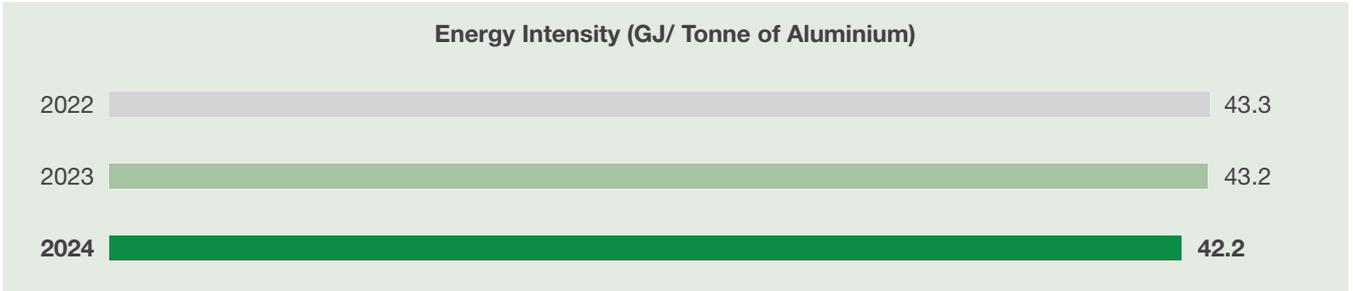
In FYE2024, our manufacturing operations consumed 52.8 million gigajoules (“GJ”) of energy, representing a 4.8% decrease from FYE2023. Our energy intensity had reduced slightly, by 2.1%. The reduction in energy consumption was mainly due to a temporary disruption at PMBtu’s Phase 3 plant, which was resolved in the first quarter of 2025.



**Notes:**

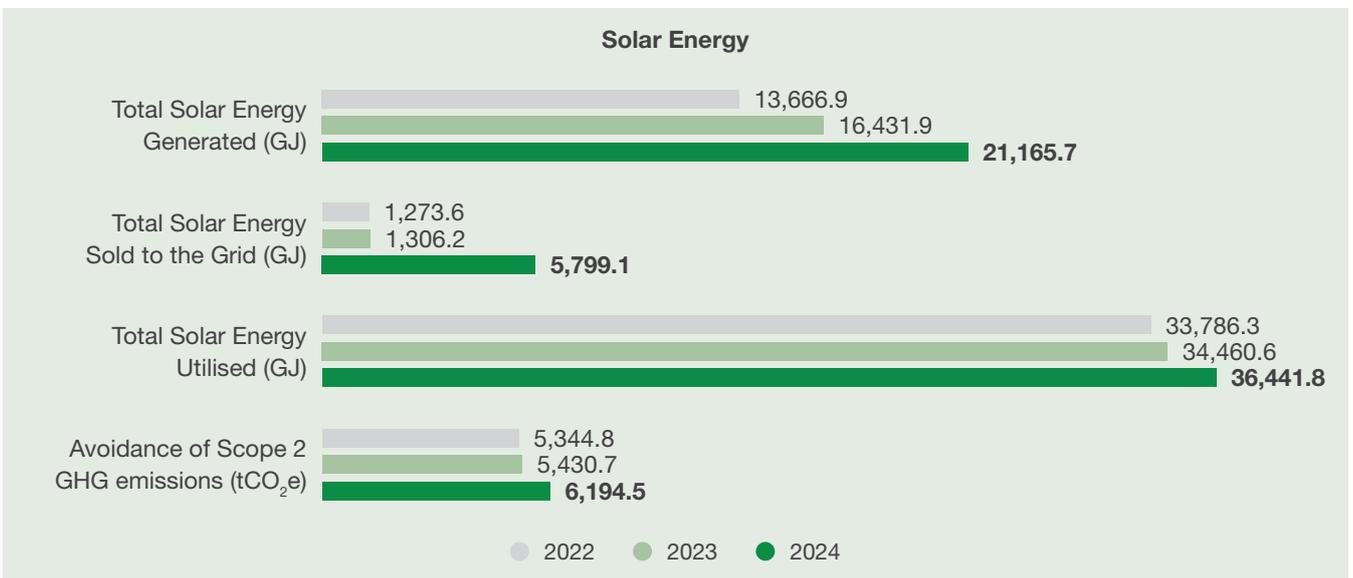
1. FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

Caring for the Planet



Notes:

1. FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.



Notes:

1. FYE2022 and FYE2023: Aggregated data from our manufacturing facilities (PMAR and PMI).
2. FYE2024: Aggregated data from our manufacturing facilities (PMAR, PMI, and PMBA Nilai 2).

**GOING FORWARD**

Our commitment to advancing effective energy management strategies and expanding the use of renewable energy reflects a broader responsibility to drive sustainability while maintaining a competitive edge. Through targeted initiatives, we aim to reduce overall energy consumption and intensity, enhancing both cost efficiency and long-term resilience.

Energy plays a vital role in our sustainability agenda. By embedding structured energy efficiency measures and optimising resource utilisation, we are not only reducing our carbon footprint but also aligning operations with the transition to a low-carbon economy. Through continued innovation and investment in cleaner energy solutions, we are shaping a future where efficiency, sustainability, and competitiveness go hand-in-hand. By embracing energy transformation today, we are building a stronger, more resilient business for tomorrow.

## Caring for the Planet

### AIR EMISSIONS

GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3, GRI 305-7

#### Capitals



#### SDGs



#### WHY IT MATTERS



Air emissions, including gases and particulate matter that are released into the atmosphere, may present a significant risk to environmental pollution if not managed well. Originating from industrial processes, combustion operations, and ancillary sources, these pollutants may potentially cause detrimental effects, ranging from respiratory ailments and acid rain to the formation of smog and the acceleration of climate change. If left unaddressed, such air emissions threaten not only ecological stability but also the health of communities and the sustainability of global ecosystems.

Organisations bear responsibility to mitigate or prevent these impacts, as stewards of environmental responsibility. At minimum, adherence to environmental protection standards and regulatory requirements is a must with efforts to implement stringent internal controls and proactive measures in addressing air emissions.

#### OUR APPROACH



Press Metal's dedication to environmental stewardship is enshrined in the Environmental Policy and Environmental Mission Statement, which serve as the guiding principle in managing air emissions. These guiding documents establish a robust framework for our environmental management, driving robust environmental controls and proactive initiatives aimed at mitigating the environmental footprint of our operations. While ensuring compliance with regulatory standards, we had instituted rigorous internal benchmarks and monitoring systems to advancing our commitment to sustainable practices.

Our approach to managing air emissions focuses on tracking and controlling total particulate matter ("TPM"), hydrogen fluoride ("HF"), sulfur oxides ("SOx"), and nitrogen oxides ("NOx") — generated from our manufacturing activities, as well as to ensure compliance with Malaysia's Ambient Air Quality Standards and the stringent regulatory frameworks of China. In addition, we prepare reports to regulatory authorities, whether on a quarterly or annual basis, fostering transparency in our air emissions performance.

Beyond regulatory standards, Press Metal had established internal air emission limits for Malaysian operations that surpass regulatory requirements, while our China facilities follow strict adherence to China's environmental standards.

Pollutant	Internal KPI (mg/m <sup>3</sup> )	Department of Environment ("DOE") Malaysia Standard (mg/m <sup>3</sup> )
TPM	5.0	10.0
HF	0.9	1.0
SOx	90.0	100.0

#### Establishing Management Systems

Press Metal prioritises having a robust management system in place and pursues internationally recognised codes of practice and effective environmental management system. At present, our manufacturing facilities have substantially embraced (75%) the ISO 14001:2015 Environmental Management Systems standard, underscoring our commitment to sustainable operations. The remaining entities, which are newly established subsidiaries under PMBA, are actively pursuing this certification, aligning with our overarching goal of universal adoption.

## Caring for the Planet

All manufacturing entities within Press Metal are supported by a dedicated Environmental Department, each staffed with adequate certified professionals tasked to oversee air emissions management and ensuring adherence to both internal emissions limits and local regulatory mandates.

Across all manufacturing facilities, we implement the Plan-Do-Check-Act (“PDCA”) operating principle, complemented by rigorous operational protocols for equipment maintenance, continuous improvement, and emergency preparedness.

In facilitating real-time monitoring, our smelting facilities are installed with online monitoring devices that are directly linked to Malaysia’s DOE Centralised Continuous Environmental Monitoring System (“CEMS”). These advanced systems provide instantaneous tracking of air emissions, with data integrity validated through regular audits by accredited third-party experts. Furthermore, independent third-party consultants conduct quarterly environmental assessments at our manufacturing facilities to ensure ongoing compliance with environmental mandates.

In FYE2024, the DOE convened a meeting with industry leaders at Samalaju Industrial Park to address environmental challenges, unveiling plans to strengthen Emergency Response Plans (“ERPs”). Our smelting facilities within the park endorsed the initiative and incorporated enhanced measures into our ERPs. These updates included an action plan that encompassed air quality monitoring, mitigation strategies and compliance protocols, to effectively manage both the stakeholder health and safety and environmental risks during emergencies.

### Assessing Compliance Through Internal Audit

In FYE2024, the Group EHS team led environmental audits across all entities to determine our alignment with the Malaysia’s Environmental Quality Act. The audits, which scrutinised a broad range of operational matters, including waste and water management, emissions control and conformity with applicable environmental legislation, served as a vital tool for evaluation and compliance with our environmental policies, procedures and regulatory obligations.

In addition, audits also enabled the identification of areas for potential improvements, where action plans will be devised to meet continuous environmental improvement and a more sustainable future. Where there were instances of discrepancies, relevant departments were mandated to implement corrective and preventive measures within strict timelines.

### Implementing Air Pollution Control Systems

At Press Metal, our manufacturing facilities are engineered with air pollution control systems, designed to treat air pollutants before they are released into the environment. This is one of the foundational considerations within the design phase of our facilities, in our effort to minimise ecological impact and operate sustainably.

In our smelting plants, we have implemented fume treatment systems and dust collectors, which effectively manage and mitigate air emissions during production processes. The fume treatment systems, through dry scrubbing process, capture and process fluoride gases while dust collectors trap particulate matter.

In our downstream entities, wet scrubber technology is used to control emissions by capturing and neutralising pollutants. As contaminated gases pass through a liquid barrier, particulate matter and harmful gases are effectively removed from industrial exhaust streams, preventing their release into the environment.

Integral to our efforts is our Fume Treatment Department, which plays a vital role in maintaining the continued effectiveness of the systems. The department is tasked with routine maintenance of emission stack filters and undertakes timely replacements of filter bags to ensure the efficient elimination of contaminants from exhaust gases. In addition, to maintain the optimal performance of these systems, we regularly monitor specific parameters, including pressure drop, flow rate and temperature.

To further promote improvements, our smelting facilities take a proactive approach by collaborating with external consultants to develop and implement improvement plans such as enhancing air suction at the emission source and more effective capture and treatment throughout the production cycle.

## Caring for the Planet

### OUR VALUE CREATION +

At Press Metal, we endeavour to proactively manage our air emissions and minimise our environmental footprint through leveraging technological innovations. We maintained an optimal air pollution control system through ongoing monitoring and timely replacement of components in our effort to optimise air pollution control systems.

In FYE2024, we had implemented a range of initiatives aimed at improving emissions control across our facilities. These initiatives included enhanced emissions control, improved particulate matter removal, and enhanced pollutant absorption, all of which contributed to better air quality within our operations.

Initiative Deployed	Purpose of Improvement
HF Emission Control	Efficient HF treatment in the dry scrubber process.
Ladle Pot Heating Housing	Captured air emissions at source by installing enclosed housing with integrated suction systems, resulted in improving air quality and ensuring better pollution control.
New Installation of Bag Filter for Increased Production Capacity	Captured and filtered particulate matters using bag filters at the source, to enhance air quality management.
Green Landscaping for Air Purification	Planted Spider Lily seedlings around the entity to enhance landscaping and absorbed pollutants such as benzene and carbon monoxide, contributing to fresher, cleaner air.
Sensor Earthing System for Accurate Dust Emission Monitoring	Installed a sensor earthing system to prevent electrical interference from dust and lightning for accurate and stable air quality monitoring and to reduce sensor maintenance frequency.

### HOW WE PERFORMED IN 2024 ▼

Total Air Emissions (tonnes)	2022	2023	2024
TPM	313.4	312.5	<b>173.3</b>
HF	93.8	87.0	<b>76.0</b>
SOx	7,437.4	7,645.1	<b>7,135.0</b>
NOx	5.6	11.8	<b>10.4</b>

**Notes:**

- FYE2022 - FYE2024: Aggregated data from our smelting facilities at PMBtu and PMS.
- Air emissions are measured through CEMS with a calculation methodology that accounts for emissions concentration, chimney surface area, and gas velocity.

In FYE2024, Press Metal maintained air emission levels well within regulatory limits and recorded zero (0) incidents of non-compliance. This continued accomplishment serves as a testament to our environmental responsibility.

Our air emissions generated during FYE2024 were reduced compared to FYE2023 results. This was due to an operational disruption at our PMBtu's Phase 3 plant, which was resolved during the first quarter of 2025.

### GOING FORWARD

Press Metal maintains a proactive approach to managing and monitoring air emissions, with continuous improvements forming a key part of our environmental strategy. In FYE2024, advancements were made to optimise emission control systems, establishing a strong platform for further enhancements in the coming year. Future initiatives will focus on ongoing research, investment in cleaner technologies and greater transparency in environmental reporting. The objective is to drive reductions in air pollution while strengthening the Group's position as a responsible corporate participant in the transition towards more sustainable industrial practices.

Caring for the Planet

**WASTE MANAGEMENT**

GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3, GRI 306-1, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5



**Capitals**

**SDGs**



**WHY IT MATTERS**



Effective waste management is embedded within our sustainability commitment, reflecting environmental responsibility, operational efficiency and strong stakeholder engagement. Aluminium smelting, casting and extrusion activities generate both hazardous and non-hazardous waste streams, including SPL and dross, which are managed through rigorous processes to minimise environmental impact.

A systematic approach to waste management supports resource optimisation, cost efficiency and compliance with environmental regulations. Responsible waste practices are integrated across operations, reinforcing sustainability commitments while upholding the highest legal and ethical standards.

**OUR APPROACH**



Aligned with our Environmental Policy and Environmental Mission Statement, a multipronged approach is implemented to minimise waste generation while promoting conservation, recycling, and the repurposing of waste materials. The objective is to achieve zero (0) landfill waste by 2030, with a short-term target of diverting 95% of waste by 2026.

**Implementing Waste Management Systems**

The EHS department within each entity oversee waste management practices across business operations, encompassing strategy development, regulatory compliance, performance monitoring and coordination with licensed waste contractors. Periodic reviews are conducted to identify areas for improvement, reinforcing efficiency and alignment with industry standards.

Regular EHS department meetings facilitate the presentation and analysis of waste-related data, driving progress towards waste diversion objectives. Currently, 75% of our manufacturing facilities hold ISO 14001:2015 Environmental Management Systems (“EMS”) certification, with plans underway to extend certification to two (2) newly established sites. This reflects a framework designed to enhance environmental performance, upholding adherence to regulatory requirements and industry best practices.

Hazardous waste management at manufacturing sites are governed by strict protocols that minimise exposure risks, prevent contamination and provide safe handling and disposal practices.

These protocols apply to materials classified as toxic, flammable, corrosive, or reactive, where mismanagement could impact human health and the environment. The entire hazardous waste lifecycle, from identification and handling to treatment and disposal, aligns with government regulations and recognised industry practices.

Waste management practices comply with environmental standards set by the DOE of Malaysia and regulatory frameworks in the People’s Republic of China. Regular site inspections and audits are conducted across production facilities to maintain compliance and identify opportunities for optimisation.

In Malaysia, waste generation and management activities are documented through the DOE’s electronic Scheduled Waste Information System (“eSWIS”), reinforcing transparency and accuracy. In China, compliance is maintained via the Guangdong Solid Waste Declaration System, adhering to provincial requirements. All waste, including hazardous waste, is handled by licensed contractors in accordance with local waste management regulations.

## Caring for the Planet

### Implementing the 4R Approach

Press Metal adopts the 4R (Reduce, Reuse, Recycle and Recover) approach in managing waste effectively. This approach emphasises reducing waste generation at the source, re-using materials, recycling valuable resources, recovering valuable by-products and processing our operational waste in a responsible manner from cradle-to-gate.



#### Reduce

- Preventing or minimising waste volume and toxicity at the source through improvements in our manufacturing processes
- Enhancing operational efficiency to minimise material wastage during our production process
- Eliminating plastic packaging in canteens
- Implementing digital transformation to minimise paper usage
- Raising awareness through various initiatives such as posters, videos, talks, and 6S Lean Manufacturing Principles



#### Reuse

- Repurposing industrial by-products back into our manufacturing processes
- Promoting and educating employees through the Go Green initiative to encourage waste repurposing
- Collaborating with external parties to reuse carbon butts, either as fuel in the production process or for producing new anodes
- Segregating electrolyte from carbon dross in our internal carbon dross recovery process to be reused as bath material
- Repurposing industrial waste products (e.g., carbon powder) into our civil engineering works



#### Recycle

- Recouping material value through recycling efforts
- Remelting aluminium scraps to produce aluminium products
- Establishing an aluminium scrap recycling programme to promote a circular economy
- Recycling non-hazardous waste such as carton boxes and containers
- Collaborated with E-Waste Recycling Through Heroes (“ERTH”) to establish an e-waste recycling campaign
- Recycling of aluminium hydroxide to produce aluminium sulphate for water purification processes



#### Recover

- Utilising production by-products as material inputs
- Collaborating with external stakeholders to optimise recovery efforts on aluminium by-products
- Repurposed SPL as an alternative raw material in cement production
- Developed an internal recovery system for aluminium dross and carbon dross to recover material value
- Enhancing internal recovery systems to increase our internal recovery capacity
- Implementing caustic soda recovery system to reclaim and reuse caustic soda

## Caring for the Planet

### Enhancing Waste Segregation Practices

Our waste management system is designed to ensure effective segregation, allowing us to reuse, recycle, or recover waste before disposal. We separate non-hazardous waste using colour-coded metal bins, which facilitates proper collection and reduces the risk of landfill diversion, minimising our environmental impact. In FYE2024, we introduced additional colour-coded bins at PMBtu to enhance in-plant segregation of wood waste from domestic waste, helping to prevent fire incidents at landfill sites.

For hazardous waste disposal, we engage licensed contractors to handle, treat, and dispose of waste in full compliance with local environmental regulations. We will closely monitor these processes, maintain comprehensive records, and regularly report to the relevant authorities. Additionally, we will provide training to employees to strengthen waste management practices.

### Managing Spills & Leakages

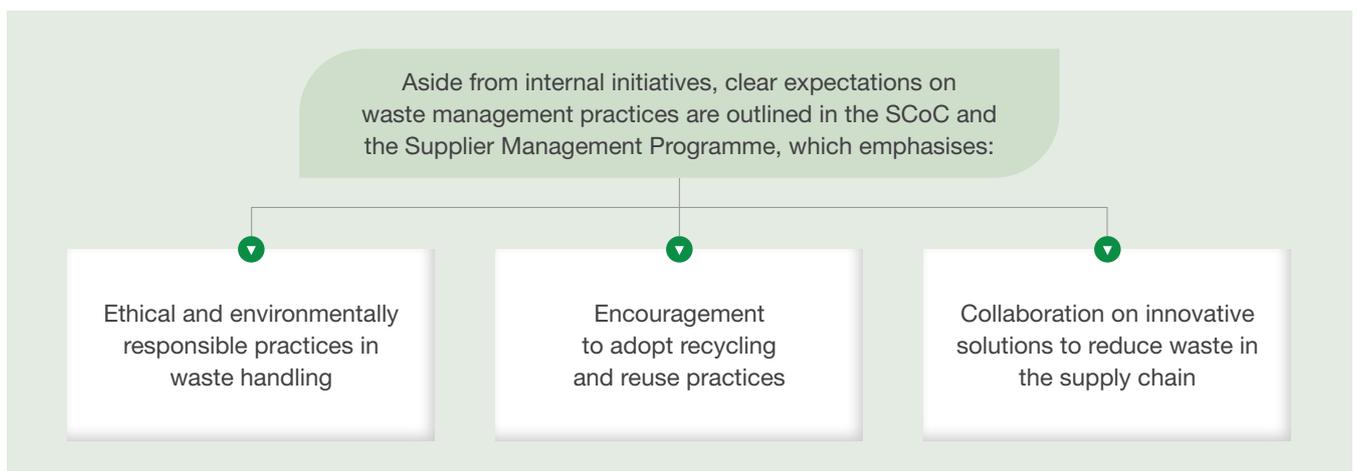
Spills and leakages present potential environmental and health risks to stakeholders, including employees and local communities. To mitigate these risks, robust procedures and controls have been established within the EMS to safeguard people, the environment and business operations.

The EMS framework includes measures such as maintaining sound facilities, implementing impermeable flooring, conducting spillage response training and enforcing compliance controls and monitoring programmes. Personnel who detected any spill or leakage are trained to promptly report to the relevant department, with incidents documented through the EHS e-reporting system to ensure accountability and swift corrective action.

In the event of an unforeseen spill or leakage, an ERP is in place with clear procedures for incident management, including coordination with local communities and relevant government agencies. A dedicated hotline has also been established, accessible to both internal and external stakeholders, to facilitate the prompt reporting of any chemical leakage incidents.

### Advocating for Circular Economy Principles and Sustainable Waste Management

As part of our commitment to sustainability, circular economy principles are actively promoted, with a focus on waste segregation to enhance recycling opportunities. The adoption of the 6S Lean Manufacturing Principles further strengthens operational efficiency while reducing waste generation.



## Caring for the Planet

### OUR VALUE CREATION



A comprehensive approach to waste management has been embedded across operations, focusing on reduction, reuse, recycling, and recovery initiatives. These efforts are designed to optimise resource efficiency, minimise environmental impact, and align with regulatory requirements.

#### Recovering Aluminium By-Products

The integration of recovery processes within aluminium production is essential to minimising environmental impacts associated with aluminium by-products. Valuable materials from aluminium and carbon dross, such as aluminium and electrolytes, can be efficiently reclaimed and reused. By recovering by-products, we are able to significantly reduce waste and mitigate the risk of harmful substances entering the environment while conserving natural resources through reduced reliance on virgin materials.

The Aluminium Dross Recovery Unit is assigned to oversee the internal recovery of aluminium dross at cast houses, ensuring an efficient process where aluminium is reclaimed and remelted into new products. The residual materials generated are securely packaged and transported to licensed aluminium recyclers for further recovery process.

In FYE2024, dross recovery capabilities were enhanced through the installation of a dross stirrer machine at PMS and the upgraded Iron Dross Treatment Plant and Carbon Dust Recovery System at PMBtu. These advancements further strengthened resource recovery efforts and reduced environmental impact.

Furthermore, the internal carbon dross recovery process facilitated the reclamation of electrolytes for reuse in the electrolysis process, leading to a reduction in hazardous waste, particularly carbon powder.

#### Repurposing Spent Pot Lining

As part of ongoing safety enhancements and efforts to improve operational efficiency, electrolysis cells are maintained periodically. This process generates SPL, a hazardous waste that contains sodium, fluoride and other heavy metals, which — if not properly managed — can pose environmental risks.

The facilities' EHS department oversees the secure handling and storage of SPL to mitigate potential environmental impact. In line with efforts to reduce landfill dependency, Press Metal has established a strategic collaboration with cement manufacturers to repurpose SPL as an alternative raw material in cement production — converting a hazardous waste stream into a viable industrial input. Efforts are underway to explore alternative management methods that optimise the utilisation and disposal of SPL, reinforcing a commitment to sustainable waste management practices within the industry.

#### Coaction for Full Recovery Plant

Expanding on our commitment to the 4R approach, collaboration continued with a licensed waste recovery company to enhance the full recovery plant in Bintulu, Sarawak. This facility plays an important role in recovering aluminium dross and scrap, significantly reducing landfill waste and optimising resource efficiency.

Ongoing initiatives focus on refining recovery processes, integrating advanced technologies and identifying circular solutions to maximise material reutilisation. These efforts support long-term sustainability objectives while reinforcing responsible resource management across operations.

#### Zero-Waste Factory

In 2024, PMI was acknowledged as a pioneer in Foshan's "Zero-Waste City Cells" initiative and conferred the designation of a "Zero-Waste Factory". The recognition reflects PMI's implementation of circular waste management practices, including the reprocessing of production waste into usable materials, thereby reducing overall waste generation. This initiative aligns with Foshan's broader objective of establishing itself as a leading Zero-Waste City.

#### Implementing E-Waste Recycling

In collaboration with EARTH, Malaysia's largest authorised e-waste collector, Press Metal promotes responsible electronic waste disposal through targeted recycling programmes. In supporting proper e-waste management, collection boxes had been strategically placed at the corporate headquarters in Setia Alam, Selangor. Additionally, other entities within the Group also had established dedicated collection points for specific e-waste items, such as used batteries, further expanding our responsible electronic waste disposal initiative. These initiatives provided employees and the public with a convenient and responsible solution for e-waste disposal, reducing environmental impact. In FYE2024, the e-waste recycling programme successfully diverted 460 kg of discarded electrical items from disposal, including small household appliances, laptops, smartphones, CPUs, monitors, and keyboards.

## Caring for the Planet

**Promoting Awareness & Education**

As part of our commitment to operational efficiency and sustainability, internal awareness campaigns are regularly conducted under the 6S Lean Manufacturing Principles. Informative materials, including posters and videos, were distributed to employees to reinforce best practices in waste management.

Recycling programmes have been implemented across facilities, incorporating dedicated recycling bins to facilitate responsible waste disposal. These initiatives are designed to foster a culture of accountability and sustainability, equipping employees with practical solutions to support environmental stewardship within daily operations.

 Refer to the Material Stewardship section for more information on our initiatives in promoting the circular economy.

**HOW WE PERFORMED IN 2024**

In FYE2024, we generated a total of 262,570.4 tonnes of waste, a 19.9% increase from FYE2023. The increase was primarily due to higher volumes of SPL waste generated following the fire incident at PMBtu's Phase 3 plant.

Category	2022	2023	2024
Total Waste Generated (tonnes)*	172,132.5	218,902.8	<b>262,570.4</b>
Total Waste Diverted from Landfills (tonnes)	155,179.7	203,966.2	<b>243,363.3</b>
Total Waste Directed to Landfills (tonnes)	16,952.8	14,936.6	<b>19,207.1</b>
Waste Diversion Rate (%)	90.2	93.2	<b>92.6</b>
<b>Hazardous Waste Performance</b>			
Total Hazardous Waste Generated (tonnes)*	47,578.8	53,895.1	<b>97,924.9</b>
Total Hazardous Waste Diverted from Landfills (tonnes)	45,087.9	48,826.1	<b>88,100.3</b>
Total Hazardous Waste Directed to Landfills (tonnes)	2,490.9	5,069.0	<b>9,824.6</b>
<b>Non-Hazardous Waste Performance</b>			
Total Non-Hazardous Waste Generated (tonnes)*	124,553.7	165,007.7	<b>164,645.5</b>
Total Non-Hazardous Waste Diverted from Landfills (tonnes)	110,091.8	155,140.1	<b>155,263.0</b>
Total Non-Hazardous Waste Directed to Landfills (tonnes)	14,461.9	9,867.6	<b>9,382.5</b>
<b>Waste Recovery Performance</b>			
Aluminium Dross Recovery Rate (%)	42.2	42.2	<b>38.2</b>
SPL Repurposed (tonnes)	20,787.8	30,093.3	<b>48,536.2</b>

**Notes:**

1. FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
  2. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.
- \* The Total Waste Generated for both Hazardous Waste and Non-Hazardous Waste has been restated using the methodology stated in the Bursa Malaysia Sustainability Reporting Guide (3<sup>rd</sup> edition).

**Waste Handling**

In FYE2024, there were no non-compliance incidents resulting in penalties related to waste handling.

**Spills & Leakages**

In FYE2024, there were no reported cases of significant spills or leakages.

**GOING FORWARD**

A commitment to sustainable waste management is embedded within operations, guided by the 4R approach and 6S Lean Manufacturing Principles, with a clear objective of achieving zero (0) landfill waste by 2030. Strategic initiatives focus on developing innovative and sustainable waste solutions, enhancing resource recovery efficiency, and identifying opportunities to repurpose materials for broader applications. These efforts reflect a dedication to driving sustainable excellence while supporting the transition to a more efficient circular economy.

## Caring for the Planet

### MATERIAL STEWARDSHIP

GRI 3-3, GRI 301-1, GRI 301-2

M11

#### Capitals



#### SDGs



#### WHY IT MATTERS



Aluminium smelting involves the extraction of aluminium from alumina using the Hall-Héroult process, a highly energy-intensive method that requires substantial electrical energy to produce high-purity aluminium. During the casting process, impurities inevitably form on the molten metal. Without proper management, these by-products can lead to significant losses of valuable aluminium.

Inefficient material management carries considerable consequences, including resource depletion, unprocessed material losses, increased pollution, and GHG emissions. A proactive approach is essential to optimising the extraction, utilisation, and disposal of materials throughout their lifecycle. By implementing effective resource management strategies, operational requirements can be met while upholding environmental responsibilities, ensuring a balanced and sustainable approach to aluminium production.

#### OUR APPROACH



Efficient material stewardship is embedded within our manufacturing operations through the implementation of the 6S Lean Manufacturing Principles. This approach encompasses responsible sourcing, waste reduction, recycling, material recovery, reuse, and the prevention of unnecessary wastage.

Our Environmental Policy outlines our commitment to maximising operational efficiency and minimising waste generation, while our Sustainability Policy advocates for the use of renewable resources and aims to reduce reliance on non-renewable and non-recyclable materials.

This starts from the beginning of the lifecycle, where Press Metal procures responsibly and in line with fair trade and environmentally conscious principles. Within production, we optimise manufacturing processes to maximise efficiency in the use of primary input materials — alumina and carbon anode — in aluminium smelting. To extend the lifecycle of aluminium, we collect and reintegrate pre- and post-consumer aluminium products, sourced both internally and externally, into our production processes, reinforcing our commitment to a circular economy.

#### OUR VALUE CREATION



##### Advancing Circular Economy in Aluminium Production

Press Metal launched the Aluminium Scrap Buyback Programme to procure both pre- and post-consumer aluminium scrap from the open market, clients and strategic partners. In partnership with local suppliers, the initiative was further scaled to include the sourcing and import of scrap from international markets, broadening the supply base for recycled input material.

In FYE2024, Press Metal expanded the Scrap Recycling Project to PMS as part of our drive to enhance circularity and resource efficiency. The initiative involves the collection, sorting and remelting of post-consumer aluminium for re-integration into the production cycle – extending the lifecycle of aluminium while reducing reliance on primary raw materials.

This approach delivered measurable sustainability outcomes, including lower greenhouse gas emissions and energy savings, as recycled aluminium requires significantly less energy than primary aluminium production. The programme supports the Group's environmental objectives and contributes to the broader transition towards a low-carbon, circular economy.

## Caring for the Planet

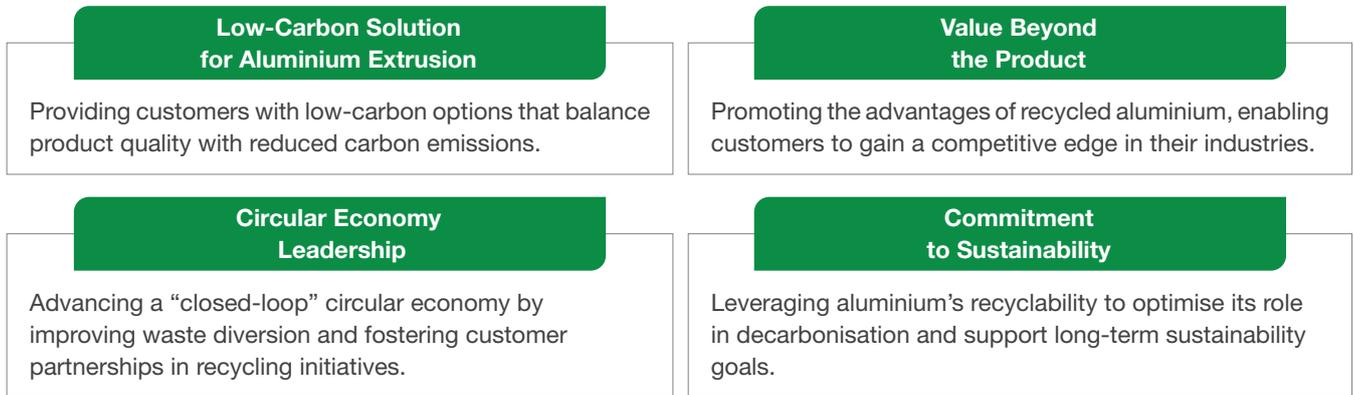
As part of the Group’s strategic agenda, PMS and PMBA continued to expand on-site recycling capabilities, supporting the advancement of our sustainability targets and affirming our position in responsible aluminium production. In FYE2024, PMBA commenced operations of a second casting line at the Malaysian recycling facility, increasing annual processing capacity to 80,000 tonnes of post-consumer aluminium scrap.

In response to the UK’s Plastic Packaging Tax, PMBA began transitioning plastic packaging to non-woven fabrics in FYE2022. This shift supported regulatory compliance while improving the recyclability of packaging materials. By FYE2023, all UK-bound orders were fully packaged using non-woven fabrics. In FYE2024, the procurement of non-woven materials rose by 53.8% when compared to the previous year, reflecting continued progress in embedding sustainable packaging solutions across the Group’s operations.

### Sustainable Aluminium Solutions

Solidifying our position in sustainable aluminium solutions, CYCAL™, our low-carbon aluminium with recycled aluminium content from PMBA, was introduced in December FYE2024.

The core values of CYCAL™ are:



Our current product range under CYCAL™ includes CYCAL™ 50 and CYCAL™ 80, which contain 50% and 80% recycled aluminium content, respectively. By offering tailored low-carbon solutions, we support sustainability objectives while maintaining the strength and versatility of our products.

Aside from CYCAL™, we have partnered with Sumitomo Corporation and Nandina REM to drive progress in low-carbon circular aviation materials for the EV industry.

### Securing Certificates for Recycled Aluminium Products

To meet business needs and to capitalise on the increasing demand for sustainable materials in electronic goods, we secured certification for products incorporating recycled aluminium.

In FYE2024, we obtained SCS Global Recycled Content certification for Aluminium Alloy Billet 6R05, an extrusion product containing at least 80% recycled aluminium alloy from both post-consumer and pre-consumer sources. With this addition, we now have four (4) extrusion products certified under SCS Global, reflecting our ongoing efforts toward sustainable aluminium production.

## Caring for the Planet

### HOW WE PERFORMED IN 2024



#### Total Aluminium Scrap Purchased (kilotonnes)



#### Recycled Aluminium Intensity (%)



#### Notes:

- FYE2022 and FYE2023: Aggregated data from our midstream (PMS and PMAR) and downstream (PMI and PMBA Klang) facilities.
- FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI and PMBA Klang) facilities.

#### Notes:

- FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
- FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### Materials Converted to Products (Pre-, Post-Consumer Scraps & Raw Materials)

Category	2022		2023		2024	
	Renewable Materials (tonnes)	Non-Renewable Materials (tonnes)	Renewable Materials (tonnes)	Non-Renewable Materials (tonnes)	Renewable Materials (tonnes)	Non-Renewable Materials (tonnes)
Total Materials Converted to Products	0	3,623,713.8	0	3,519,058.7	0	3,041,506.9

### Total Material Input Used

Category	2022	2023	2024
Total Non-Recycled Materials Used (tonnes)	3,265,232.7	3,154,246.9	2,649,501.6
Total Recycled Materials Used (tonnes)	358,481.1	364,811.8	392,005.3
Total Material Input Used (tonnes)	3,623,713.8	3,519,058.7	3,041,506.9
Recycled Materials Used (%)	9.9	10.4	12.9

### Recycled Material Input by Business Segment

Category	2022	2023	2024
Midstream (%)	8.7	9.0	11.2
Downstream (%)	40.2	43.1	44.3
Group (%)	9.9	10.4	12.9

#### Notes:

For Materials Converted to Products (Pre-, Post-Consumer Scraps & Raw Materials), Total Material Input Used and Recycled Material Input by Business Segment, the data presented:

- FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
- FYE2024: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### GOING FORWARD

Future efforts will focus on strengthening sustainable material stewardship through the integration of circular economy practices. This includes increasing the use of imported recycled aluminium in casting, which is expected to lower the GHG emissions intensity. Additional in-house recovery methods will also be explored to enhance recycling efficiency and minimise waste accumulation.

Prioritising sustainable solutions for aluminium dross management is a key focus, alongside the pursuit of relevant environmental certifications. Ongoing engagement with stakeholders will be upheld through regular reporting and various communication channels, ensuring transparency and accountability in sustainability initiatives.

## Caring for the Planet

### WATER AND EFFLUENTS

GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3, GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-4, GRI 303-5



#### Capitals



#### SDGs



### WHY IT MATTERS



Water is a vital shared resource, essential not only to our operations but also to the communities where we operate. While naturally renewable, water availability is increasingly under pressure due to climate change, inefficient resource management, and contamination. The reality is that many regions are facing growing water scarcity, making responsible management more important than ever.

Managing water efficiently requires a proactive approach — one that goes beyond conservation and focuses on long-term sustainability. Continuous monitoring of water usage, along with the implementation of efficiency-enhancing strategies, is essential. By leveraging innovative technologies such as closed-loop systems and advanced treatment facilities, we took steps to safeguard both water supply and quality. External assessment tools further strengthened our efforts, allowing us to evaluate water-related risks and develop targeted management strategies.

These measures do more than just to reduce costs or prevent operational disruptions, they directly contribute to the well-being of the communities around us and reinforce our commitment to environmental stewardship.

### OUR APPROACH



Water is an essential resource that must be managed responsibly to support both our operations and the communities around us. At Press Metal, we take proactive measures to preserve the quality of surrounding water bodies across our operational sites. Through the adoption of a comprehensive Water Management Plan, we are committed to mitigating water-related impacts and embedding sustainable practices across our business.

This plan is built on key principles, including:

Minimising freshwater consumption by maximising water reuse	Applying the 3R approach (Reduce, Reuse and Recycle)	Establishing a baseline and continuously monitoring water quality and consumption levels
Maintaining zero (0) contamination of surface water, groundwater, and other critical water resources	Tracking performance against water reduction targets	Adhering to national, regional, and local water quality regulations

The Water Management Plan provides a structured framework for optimising water use, with targeted action plans focused on facility improvements, process optimisations, monitoring, inspections and education.

To govern our water management efforts effectively, dedicated water departments across entities oversee operations, driving the implementation of strategic management plans and comprehensive water management systems. In China, a Sustainability Work Group has been established to monitor and enhance water management practices, further strengthening our commitment to sustainable water governance and continuous improvement.

Understanding and managing water risks is a priority. Therefore, we conduct annual water risk assessment using tools such as the WWF Water Risk Filter and the World Resources Institute Aqueduct Water Risk Atlas. This process allows us to identify potential risks in our operational areas and develop targeted solutions.

Further details of our approach can be found in our Sustainability Policy, Environmental Policy, and Environmental Mission Statement, available at: <https://www.pressmetal.com/investor-relations/corporate-governance.php>.

## Caring for the Planet

Entity	Country	State/ Province	Baseline Water Stress	Water Source	Non-Processed Water Discharge	Processed Water Discharge
PMBtu	Malaysia	Sarawak	Low	Municipal potable water	Offsite treatment plant	Closed loop
PMS		Johor				
PMAR		Selangor				
PMBA Klang		Negeri Sembilan				Surface water
PMBA Nilai 1						
PMBA Nilai 2						
PMI	China	Guangdong				
PMIT						

### Effluent Management

In managing effluents responsibly, we uphold effluent quality standards in full compliance with local regulatory requirements and industry best practices.

Our water source is primarily from municipal potable supplies, with no direct extraction from natural water bodies such as rivers, oceans, surface water, or wells, except for rainwater harvesting. Water usage supports domestic and cooling purposes within our midstream facilities, as well as the treatment of aluminium profiles in downstream operations. To optimise efficiency, cooling water is recycled through a closed-loop system to optimise efficiency and reducing wastage while maintaining performance. Wastewater generated in our processes will be treated using a dedicated water treatment system, meeting discharge quality standards set by relevant regulatory authorities before being safely released into the environment.

While none of our facilities are located in water-stressed regions, we are committed to protecting water resources and continuously improving water efficiency across all operations.



**Zero (0)**

manufacturing operations  
in water-stressed regions

### Driving Awareness Across Our Workforce

A culture of water conservation starts with awareness and engagement at every level of the organisation. Encouraging employees to integrate water-efficient initiatives into daily operations is essential in fostering sustainable habits. Through internal training, awareness campaigns and collaboration with stakeholders, we actively promote responsible water management practices that extend beyond our immediate operations.

Partnerships are also key to driving meaningful impact. Through working with suppliers and customers, we align efforts toward shared water conservation goals and best practices. In reinforcing this commitment, we encourage suppliers to adopt water-efficient practices through our SCoC, promoting responsible water stewardship across our entire value chain.

75% of our operational sites implement water management plans tailored to site-specific requirements, focusing on reducing withdrawal intensity and improving recycling and reuse practices.

## Caring for the Planet

## OUR VALUE CREATION



Our water management efforts had been executed through several strategic initiatives aimed at conservation, optimisation, and wastewater treatment improvements.

**Implementing Water Conservation Practices**

Reducing reliance on municipal water sources is a priority and several water conservation measures had been implemented to achieve this. Rainwater harvesting systems were in place for irrigation and cleaning across our operations, which help to minimise freshwater consumption. Flowmeters had been installed at strategic points, which enabled real-time tracking of daily water usage and the immediate detection of abnormalities for prompt corrective action.

Proactive monitoring is central to managing water efficiency. Any variances detected between the main and individual flowmeter readings trigger a thorough investigation to identify the root cause. This system allowed departments to track potential leakages, ensuring timely intervention. Periodic site assessments further reinforced this monitoring approach, allowing us to sustain water conservation efforts.

Routine maintenance also played a role in maximising efficiency. Regular maintenance of cooling towers helped to maintain optimal performance, while ageing flow meters and piping systems were repaired or replaced as needed. In addition, upgraded wastewater treatment facilities supported higher levels of recycling and enhanced overall water efficiency.

**Optimising Water Consumption**

The Water Balance Project has provided a structured approach to tracking water usage and identifying potential risks, including leakages. High-priority areas prone to significant water loss had been identified and to address these risks, primary water conduits had been reconfigured into exposed pipelines, to facilitate quicker detection and response times. Additionally, a surveillance programme had been implemented at PMI and PMIT, to optimise water allocation for production and firefighting requirements.

Within aluminium treatment processes, water used in anodising tanks was channelled to wastewater treatment facilities before discharge, to meet environmental standards. To further enhance efficiency, water used for plate cooling in the anodising stage was reused, while overflow from anodising tanks was redirected to rinsing tanks. Greywater was repurposed for polymer dilution, filter maintenance and floor cleaning in our effort to water conservation.

**Improving Our Wastewater Treatment Plant**

Managing industrial effluents effectively is essential, particularly in extrusion plants where anodising and powder coating processes generate wastewater. Our wastewater treatment facilities are designed to meet the specific needs of these processes, ensuring full compliance with discharge quality standards.

To sustain efficient operations and uphold discharge quality, regular maintenance and timely upgrades of wastewater treatment plants are essential. Ongoing system assessments, routine servicing, and process improvements help maintain reliability and compliance with environmental regulations. By continuously optimising treatment performance, we can enhance wastewater management, reduce environmental impact, and support long-term sustainability.

Research and development efforts are also ongoing to enhance the effectiveness of wastewater treatment. Continuous improvements aim to optimise processes, reduce discharge, and improve overall system performance. These efforts support better wastewater management and reinforce our commitment to sustainability.

## Caring for the Planet

### HOW WE PERFORMED IN 2024



In FYE2024, we achieved a water withdrawal intensity of 2.5 m<sup>3</sup> per tonne of aluminium, representing a 20.2% reduction from our 2016 baseline of 3.1 m<sup>3</sup> per tonne. This progress exceeded our goal of a 10% reduction by 2030. Moving forward, our focus will be maintaining this achievement.

To uphold the integrity of our reporting, we conducted regular monitoring and verification of water consumption data, which allowed us to track performance with accuracy and to identify further opportunities for improvement.

Key Performance Indicators	2022	2023	2024
Total Water Withdrawal (million m <sup>3</sup> )*	3.0	2.9	<b>3.1</b>
Water Withdrawal Intensity (m <sup>3</sup> / MT)*	2.3	2.3	<b>2.5</b>
Total Volume of Water Used (million m <sup>3</sup> )	2.4	2.4	<b>2.6</b>
Total Water Discharge (million m <sup>3</sup> )	0.6	0.5	<b>0.5</b>

#### Notes:

- FYE2022 and FYE2023: Total Water Withdrawal, Water Withdrawal Intensity and Total Volume of Water Used comprised aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
  - FYE2024: Total Water Withdrawal, Water Withdrawal Intensity and Total Volume of Water Used comprised aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.
  - FYE2022 and FYE2023: Water Discharged comprised aggregated data from PMI and PMBA Klang only.
  - FYE2024: Water Discharged comprised aggregated data from PMI, PMBA Klang, and PMBA Nilai 1 only.
  - Water data is compiled through regular monitoring via flow meters and other monitoring systems to track day-to-day water withdrawal, usage, and discharge.
- \* The Total Water Withdrawal and Water Withdrawal Intensity were restated for FYE2022 and FYE2023 using an enhanced calculation methodology implemented in FYE2024.

### Effluent Discharge Compliance

We actively monitored effluent discharge to ensure that all discharged water meets or exceeds regulatory quality standards. Substances of concern are identified through regular water quality assessments, conducted through internal testing and external audits.

Discharge limits are established in accordance with local regulations and environmental standards, with a strong focus on minimising environmental impact.

In FYE2024, there were no reported incidents of non-compliance with effluent discharge.

### GOING FORWARD

Water management is a key part of our commitment to operational efficiency and sustainability. By continuing to reduce risks, improve efficiency and implement targeted water-saving initiatives, we strengthened our approach to responsible resource management. Through ongoing improvements and collaboration, we aim to maintain long-term resilience while meeting our operational and environmental goals.

## Caring for the Planet

### BIODIVERSITY

GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3, GRI 304-1, GRI 304-2, GRI 304-3, GRI 413-1

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#### Capitals

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#### SDGs



### WHY IT MATTERS

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Biodiversity preservation is a global priority, with ecosystems increasingly under pressure from pollution, resource depletion and the wider impacts of climate change. The degradation of air, water and soil poses risks not only to the natural environment but also to businesses that depend on stable and resilient ecosystems.

Our operations and supply chain are closely linked to biodiversity and we are fully aware of the challenges posed by pollution, shifting climate patterns and resource consumption. As a responsible organisation, we are committed to integrating biodiversity considerations into our approach to resource management. By operating with care and taking a proactive stance on conservation, we work to prevent biodiversity loss in areas within our control or influence.

### OUR APPROACH

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Biodiversity plays a vital role in sustaining ecosystems and as a responsible organisation, we are committed to minimising our environmental impact. Our biodiversity management practices are embedded within our broader sustainability strategy, integrating responsible resource management and conservation efforts. We work closely with local communities, environmental experts and industry stakeholders to implement biodiversity-friendly practices while adhering to responsible land management principles and species protection initiatives.

#### Proactively Assessing Potential Biodiversity Impacts

Assessing biodiversity risks is an essential part of our approach. Before initiating any planning or construction activities, environmental assessments will be conducted to evaluate potential risks and impacts, particularly those affecting biodiversity. This process is formalised through EIAs, ensuring compliance with national regulations including the Environmental Impact Assessment Law of the People’s Republic of China for our entities in China.

Our manufacturing facilities are primarily located within designated industrial zones, limiting potential environmental impact on surrounding ecosystems. PMBtu, for example, operates within an approved industrial zone where biodiversity-related risks are minimal. Facilities had been designed with stringent environmental safeguards, and air quality modelling had indicated minimal adverse effects on surrounding vegetation. None of our sites are located within or near World Heritage Sites, protected areas or key biodiversity zones, further reducing biodiversity-related risks across our operations.

The EMP provides a framework for managing potential environmental impacts, covering key areas such as:

Land disturbance prevention and mitigation measures	Water quality control and monitoring	Air quality control and monitoring
Noise control and monitoring	Ecological monitoring	Usage and handling of raw materials, waste, and hazardous materials

## Caring for the Planet

Environmental monitoring reports are submitted quarterly to the DOE while an annual environmental compliance audit is conducted by an independent DOE-certified third-party auditor. These measures allow us to track compliance with regulatory standards and strengthen environmental management across operations.

Further strengthening our environmental management efforts, PMBtu, in collaboration with Curtin University, had successfully completed a three (3) year research programme which commenced in August 2021, with a total investment of RM387,600. This initiative developed advanced environmental surveillance systems to monitor potential fluoride emissions from aluminium smelting operations. The success of this project showcased our effort to track fluoride levels within the smelter and surrounding areas to drive operational improvements in environmental management.

Beyond direct operations, aluminium's recyclability contributes to minimal biodiversity impact, as it can be reused indefinitely without losing its properties. However, indirect impacts may arise from upstream supply chain activities. While we do not directly engage in these processes, we encourage suppliers to adopt responsible environmental practices through our Supplier Management Programme.

### **Addressing Risks from Pests, Vectors & Invasive Species**

Potential risks posed by pests, disease vectors and invasive species require effective environmental management. The Integrated Pest, Vector and Invasive Species Management Plan was established to protect natural environments from ecological threats. This plan outlines control measures and mitigation strategies to address risks associated with imported goods and operational activities.

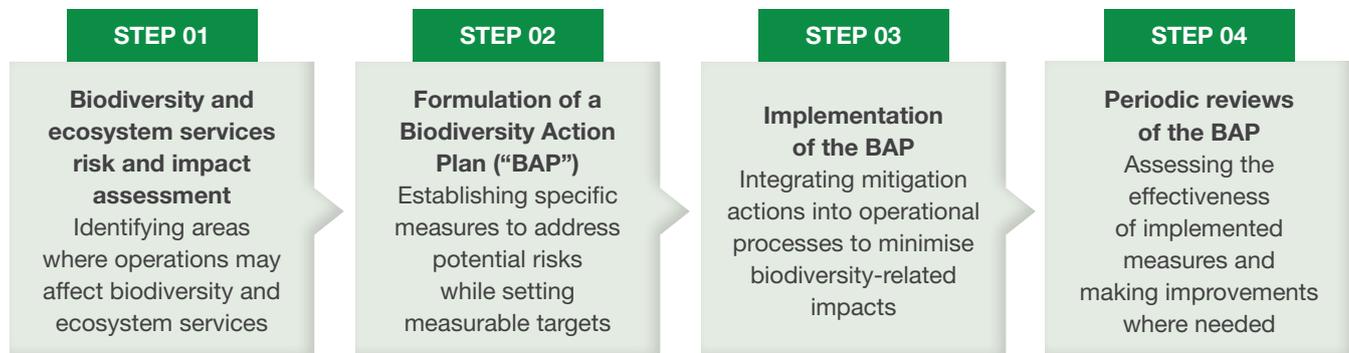
Under this plan:

- Areas prone to pest proliferation and imported materials are identified and registered.
- A preemptive analysis determines the most effective management approach.
- A targeted action plan is implemented to address risks.
- Regular reviews assess the programme's effectiveness and identify areas for improvement.

### **Adhering to Our Biodiversity Management Plan**

The Biodiversity Management Plan ("BMP") provides a framework for identifying and managing biodiversity-related risks across our operations. This self-assessment approach allows us to evaluate potential impacts and develop mitigation measures where necessary. If any negative impact is identified, the BMP facilitates the implementation of corrective actions to address biodiversity concerns effectively.

The BMP also outlines procedures for assessing and managing alien species or non-native species that may pose environmental or economic risks. This process is built around four (4) key steps:



## Caring for the Planet

The BAP is guided by the Biodiversity Mitigation Hierarchy, which includes avoidance, minimisation and restoration. Where these steps do not fully address biodiversity risks, biodiversity offsets will be considered as a final rehabilitation measure. Each BAP contains specific targets and timelines to ensure a measurable and effective approach to biodiversity management.

We leverage the Integrated Biodiversity Assessment Tool, incorporating global datasets such as the International Union for Conservation of Nature's Red List of Threatened Species, the World Database on Protected Areas and Key Biodiversity Areas. Reviews of sites on the World Heritage List, properties on the Tentative List and World Heritage List Nominations will also be referred to assess potential risks associated with sensitive locations.

Additionally, we conduct extensive assessments of ecosystem services surrounding each entity, covering provisioning, regulating, cultural and supporting services. These assessments provide valuable insights into the broader environmental and social impacts of our operations.

### **Biodiversity Risk Assessment**

PMI has conducted a Biodiversity Risk Assessment to evaluate the environmental impact of its Foshan, China operations. The assessment highlights geographical conditions, biodiversity risks and mitigation strategies. Despite the results indicating that the operation poses a low risk to biodiversity, PMI remains committed to conservation through environmental and sustainable approaches.

To further enhance biodiversity and minimise environmental impact, PMI has implemented several initiatives, including engaging third-party services for green space maintenance, participating in the Alashan "Industrial Green Supply Chain" initiative, designating areas for employee cultivation, installing solar power systems and introducing electric shuttle buses for employee transport. Additionally, PMI has undertaken improvement measures such as phasing out high-energy-consuming motors, replacing diesel forklifts with electric and optimising water supply equipment.

Through this approach, PMI reinforces its dedication to biodiversity protection and sustainable development.

## OUR VALUE CREATION



Aligned with Malaysia's ESG and net-zero agenda, we participated in land management and rehabilitation programmes, including tree planting initiatives that support local ecosystems. Our efforts extended beyond operational sites, where we engaged local communities and key stakeholders such as the DOE, academic institutions and non-profit organisations. Through collaborations, we contributed to broader conservation efforts and promoted biodiversity-friendly practices.

Over the period, we had participated in environmental activities and provided both financial and in-kind contributions. To date, these initiatives had involved an investment of approximately RM450,000 reinforcing our long-term commitment to environmental sustainability.

### **1 Ras 1 Pokok & Coastal Clean-Up**

As part of World Environment Day 2024, we partnered with the Natural Resources and Environmental Board Sarawak, the DOE Sarawak, along with students from MRSM Mukah, SMK Mukah, SMK St. Patrick and SMK Three Rivers, to organise the 1 Ras 1 Pokok & Coastal Clean-up Programme at Taman PMS in Mukah. PMS contributed to the planting of 200 fruit trees, to support the ecological footprint of this collective effort. This initiative, supported by a financial contribution of approximately RM12,000, focused on restoring biodiversity through a large-scale tree-planting effort.

## Caring for the Planet

### Tree Planting on Operational Sites

Improving the environmental landscape around our manufacturing facilities is an important aspect of our biodiversity strategy. A dedicated tree planting programme had been implemented across operational sites, with an estimated 7,200 trees planted. These included species such as Golden Ficus, Eugenia and Ficus Benjamina (Beringin), along with Bucida Variegated (Pokok Doa) and Cocos Nucifera (Kelapa Pandan).

Additionally, a selection of flowering plants, including West Indian Lantana (Pokok Bunga Tahi Ayam), Murraya Paniculata and Tristellateia Australasiae, had been introduced to further enhance the site's greenery and biodiversity. These efforts reflected a commitment to fostering a greener, more sustainable environment in close proximity to our operations.

### Supporting Conservation Beyond Our Operations

Beyond these initiatives, our entity in China, PMI, contributed to biodiversity conservation through its membership in the Society of Entrepreneurs and Ecology ("SEE") Foundation. Established in 2008, the SEE Foundation brings together entrepreneurs, civil society and the public to drive ecological protection and sustainable development.

Its key focus areas include desertification control, climate action, ecosystem conservation and marine protection, with notable projects such as the 100 million Suosuo Initiative, Groundwater Conservation, Free Flying Wings, Blue Defenders, Green Supply Chains, Conserving the Sanjiangyuan Region and Marine Conservation. Collectively, these initiatives have garnered over one billion instances of public support. Press Metal had contributed RM60,000 to the Alashan SEE Foundation and RM11,000 to the Guangdong Zhushui Yunshan Nature Conservation Foundation.

### HOW WE PERFORMED IN 2024



In FYE2024, we planted a total of 7,422 trees, in which 7,222 trees were planted within the premises of Press Metal's operational sites, and 200 trees were planted externally.

Number of trees planted	2022	2023	2024
Internal (Operational sites)	N/A	4,030	7,222
External	820	850	200

Note:

N/A indicates data unavailable.

### GOING FORWARD

Biodiversity preservation is an important focus as we balance business operations with the surrounding natural ecosystems. Adopting responsible practices that protect natural habitats while maintaining operational excellence is essential to our long-term approach.

This commitment is part of an ongoing process of learning and adaptation. By working closely with local experts, communities and environmental stakeholders, we will strengthen biodiversity initiatives, ensuring that our efforts drive meaningful impact in the years ahead. Through collaboration and continuous improvement, we aimed to build a more sustainable future, where operational success and environmental responsibility go hand-in-hand.

# EMPOWERING OUR PEOPLE AND ENRICHING OUR COMMUNITIES

## OCCUPATIONAL HEALTH AND SAFETY

GRI 3-3, GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, GRI 403-10

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### Capitals



### SDGs



### WHY IT MATTERS



The health and safety of employees, including contractors working on-site, represents a fundamental priority in any industrial operation. Given the nature of the working environments, workers and other relevant stakeholders may face potential hazards such as extreme temperatures, air pollutants or elevated noise levels, which may lead to work-related injuries. Beyond these direct risks, incidents occurring within our operational boundaries may lead to wider consequences, including operational interruptions, legal challenges, and reputational damage.

Establishing a strong safety culture, supported by strong and robust management systems and strict adherence to health and safety regulations, significantly enhances the quality of work environments. This approach not only protects our stakeholders from harm but also fosters improved productivity and efficiency. A workforce that operates in a safe setting is better positioned, driving operational success while minimising disruptions. In essence, prioritising health and safety goes beyond compliance — it serves as a vital strategy for sustaining performance, protecting people, and ensuring long-term resilience.

### OUR APPROACH



The OHS Policy serves as the foundation of a robust safety culture upheld across all manufacturing facilities, encompassing employees, contractors, subcontractors, vendors, and visitors. The policy is made accessible on our website at <https://www.pressmetal.com/investor-relations/corporate-governance.php>.

#### Ensuring Health & Safety Oversight

The Group CEO, also a Board member, holds ultimate responsibility for OHS performance across the Group, supported by the Group Environmental, Health, and Safety (“GEHS”) Department. The GEHS Department sets overarching OHS objectives, offering comprehensive support to manufacturing facilities, and monitors progress in minimising incidents and exposure to hazards.

At the entity level, EHS Committees — led by senior management and comprising elected representatives from all departments — conduct regular reviews of EHS policies, pinpoint areas for enhancement, and contribute to the development of safety protocols aimed at reducing workplace risks. They also serve as a vital resource for ongoing OHS support, ensuring operational sites remain aligned with Group standards. Quarterly meetings will be held to facilitate communication and deliver updates on performance and progress toward OHS targets.

## Empowering Our People and Enriching Our Communities



### Roles of EHS Committee

- Review EHS policies at respective operating sites and propose recommendations for improvement.
- Assist in the development of EHS rules and safe systems of work.
- Review the effectiveness of safety and health programmes.
- Carry out studies on trends for incidents, near-misses, dangerous occurrences, occupational diseases at the place of work.
- Evaluate existing or potential hazards and recommend measures to minimise or eliminate such hazards by establishing SOPs to locate and identify EHS hazards.
- Undertake workspace inspections once every three (3) months.
- Report of unsafe/ unhealthy conditions or practices and recommend corrective measures.

To ensure effective implementation, each entity establishes an EHS Department tasked with implementing our OHS Policy to support rigorous compliance with the OSHA 2022 and relevant pertinent local regulations across our operational jurisdictions.

### Adoption of Robust OHS Management System

Press Metal implements a comprehensive OHS management system across all manufacturing facilities, overseen by the Health and Safety (“HS”) Department. Currently, 75% of our manufacturing facilities hold ISO 45001:2018 certification, with plans in place to extend certification to two (2) newly established facilities, reflecting a commitment to upholding safety standards across operations. The OHS management system incorporates structured policies, risk management frameworks and a safety-first culture, nurturing continuous improvement for employees and stakeholders alike.

Regular internal and external audits are carried out to assess operational processes, hazard identification, and risk mitigation measures, alongside evaluating the overall effectiveness of the management system. These audits provide valuable insights for refining safety protocols and sharing best practices across the Group.

## Empowering Our People and Enriching Our Communities

### Strategic Pillars of Our OHS Framework

Our OHS strategy rests on four (4) foundational pillars, each designed to elevate safety performance and resilience:

1

#### Continual Improvement of OHS Management Systems

Systematically review and refine OHS policies and procedures to align with evolving regulatory requirements and industry benchmarks, ensuring our systems remain dynamic and effective.

2

#### Strengthening Process Safety Management

Emphasises the proactive identification, prevention and mitigation of process-related hazards. This involves implementing robust systems to manage risks associated with operations, ensuring compliance with safety standards and promoting a culture of continuous improvement in process safety practices.

3

#### Embracing Innovation and Technology

Continuously scrutinise OHS processes to identify and implement new health and safety measures through innovation and adoption of the latest technological solutions.

4

#### Developing a Safety Culture at the Workplace

Encouraging employees to take an active role in OHS, cultivating a shared sense of responsibility that strengthens our collective commitment to safety.

The Group has set a clear target of maintaining zero (0) workplace fatalities and reducing the LTIFR to below 2.5 by the end of FYE2024. Looking ahead, a longer-term goal has been established to sustain zero (0) workplace fatalities and lower LTIFR to below 1.7 by 2030. These objectives reflect a continuous focus on preventing workplace incidents and protecting employee well-being. To strengthen safety performance, the Group evaluates LTIFR against the IAI Statistical Report, providing a global benchmark for operational safety.



OHS Targets to maintain **zero (0)**

workplace fatalities and achieve LTIFR below 1.7 by the end of FYE2030.

### Management of Hazard Risks and Determination of Control

We employ the Hazard Identification, Assessment of Risks and Opportunities and Determination of Control ("HIARODC") method as a framework to mitigate or eliminate existing workplace risks. Executed by each entity's EHS Department in accordance with ISO 45001:2018, this process comprises five (5) key steps:

- 1 Selecting areas for assessment based on plant layout.
- 2 Identifying all potential OHS hazards, risks, and opportunities.
- 3 Recording identified hazards, risks and opportunities in a HIARODC form.
- 4 Developing management approaches and mitigation measures, objectives and targets to address significant OHS hazards, risks and opportunities.
- 5 Maintaining continuous monitoring and follow-up to ensure compliance.

## Empowering Our People and Enriching Our Communities

The HIARODC process undergoes regular updates and evaluations under, but not limited to, these conditions:

- Every three (3) years;
- Upon the implementation of new machinery, processes or operations;
- Operational activities change, domestic legislation evolves, or stakeholder needs shift;
- Following incidents or accidents; and/ or
- During reviews of safety guidelines, rules, and regulations.

### Improving Health & Safety Hazard Mitigation

#### Emergency Preparedness & Response

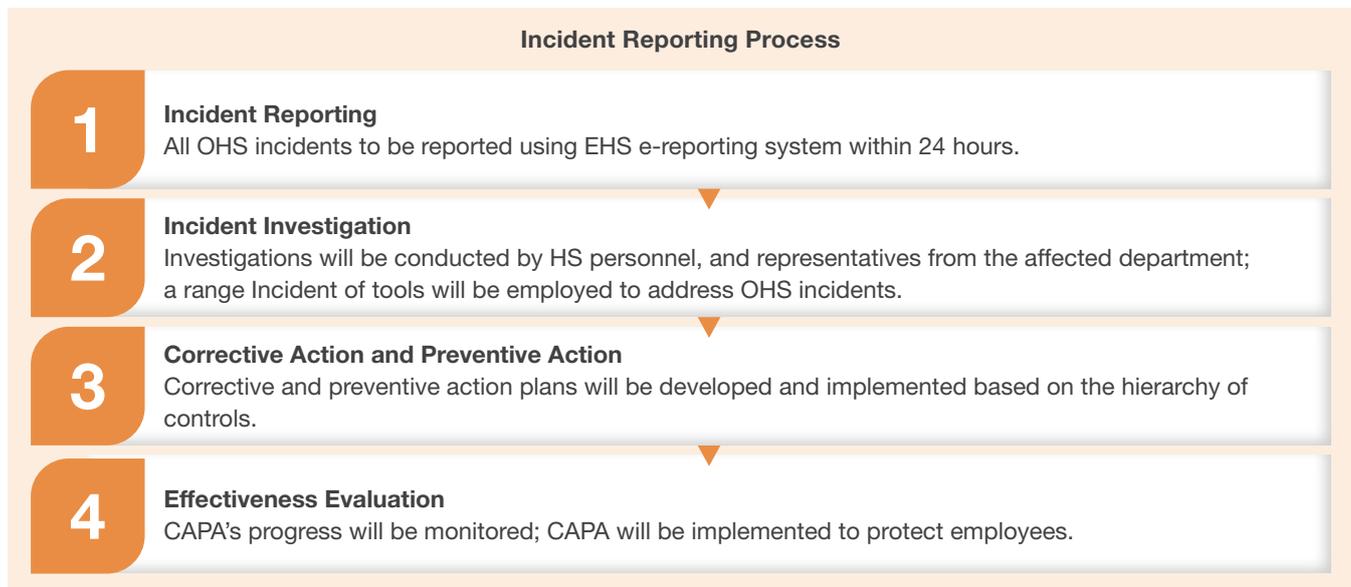
To address potential emergencies, we have developed a comprehensive ERP with clear protocols to protect employees, contractors, visitors and surrounding communities. The ERP outlines contingency measures and provides a structured approach for responding to various emergencies, ensuring prompt and effective action when needed.

The ERP categorises emergencies by severity levels with dedicated Emergency Response Teams (“ERTs”) assigned to each category. Trained ERTs, including an on-site firefighting unit, are equipped with essential tools and protective gear, to coordinate emergency responses, which include communication of associated health and safety risks. In addition, we conduct periodic ERP reviews, emergency drills, and training exercises, ensuring it remains effective and responsive to changing conditions.

As part of the ERP procedure, we periodically conduct emergency drills such as:

Spillage Prevention and Handling Training	Emergency Busbar Installation	Mock Emergency Drill for Fire Alarm
Pot Leakage Drill Response	Fire Fighting Training	First Aid and Cardiopulmonary Resuscitation Training

### Incident Management & Reporting



Our incident management and reporting procedures mandate that all OHS incidents or accidents to be logged into our EHS e-reporting system within 24 hours of occurrence. Upon logging, the incident will trigger an investigation, which will be led by HS personnel alongside representatives from the affected department, to determine the root cause. Following this, a Corrective Action and Preventive Action (“CAPA”) plan will be implemented, with reference to the hierarchy of control approach to determine appropriate preventive measures. The progress of the CAPA plan will be closely monitored to ensure effective resolution and continuous improvement.

Throughout the process, employees will be protected against retaliation, for any report of incidents, near misses, or unsafe conditions.

## Empowering Our People and Enriching Our Communities

### **Permit-To-Work System & Detailed Job Statement Method Statement**

The Permit-To-Work (“PTW”) System requires employees and contractors to conduct a thorough risk assessment for high-risk or non-routine tasks, complemented by a Detailed Job Method Statement detailing scope of work, activities, identified hazards and proposed control measures. All PTWs are subject to review and authorisation by the HS Department prior to the commencement of work, with ongoing monitoring throughout the duration of the task. In cases of non-compliance, the PTW will be suspended until the issue is rectified.

### **Stop Work Order Procedure**

The Stop Work Order (“SWO”) Procedure is designed to address unsafe work conditions that may pose a risk of accidents or injuries. In line with the OSHA 2022, employees are encouraged to report safety concerns to HS personnel and are authorised to initiate an SWO if necessary. Once hazards are verified by the HS Department, an SWO will be issued, halting work activities until the identified safety issues are resolved. The HS Department will provide clearance to resume work when the work is deemed safe. This procedure instils a sense of empowerment among employees, enabling them to safeguard their own well-being and that of their peers.

### **Strengthening Health & Safety Awareness & Communication**

#### **Safety Intelligence Centre**

The GEHS Department serves as an information hub for collecting and analysing incident data and mitigation plans. After completing the analysis, GEHS Department communicates the lessons learned through safety alerts to all employees.

In FYE2024, 23 safety alerts were issued, with preventive actions summarised in health and safety initiatives to prevent future incidents. To promote knowledge sharing, two (2) cross-plant visits were conducted to foster the learning and preventive actions on safety practices across all facilities.

#### **Safety Reporting Mobile Application**

In FYE2024, Press Metal implemented an upgrade to its safety reporting platform by extending the platform to mobile applications. This enhancement has improved the accessibility and efficiency of managing accidents, incidents, site inspections and permits to work. Looking ahead, Press Metal plans to introduce additional features to enhance the communication and management of health and safety across the various areas.

#### **Pressfan Mobile Application & PressSafe Feature**

PressFan remained as an essential tool for sharing operational updates, safety alerts and health and safety information across our Sarawak operations. Designed to be user-friendly, it continued to play a key role to keep employees informed and connected.

An add-on safety alert feature in our PressFan application, PressSafe, is available exclusively to female employees in Sarawak. This feature is aimed at providing additional security, for those working late hours or commuting alone. PressSafe incorporates a location tagging function that enables users to request assistance or send an SOS signal in emergencies.

#### **WeChat Work (WeCom)**

Our China operations adopted the WeCom as a space for employees to share feedback and raise concerns. This initiative reflected our commitment to fostering open communication, enhancing employee engagement and continuously improving health and safety practices.

## Empowering Our People and Enriching Our Communities

### OUR VALUE CREATION



A series of strategic initiatives were introduced to enhance workplace health and safety, reflecting a commitment to empowering employees, promoting proactive engagement, and integrating safety as a fundamental principle throughout all aspects of operations.

#### Building a Mature and Interdependent Safety Culture

##### *You See You Act* (“UCUA”) Programme

The UCUA programme is designed to strengthen employee engagement and empowerment in workplace safety. By valuing contributions to risk identification and resolution, it builds confidence among employees to address safety challenges.



Under UCUA, employees are encouraged to report unsafe acts or conditions through a designated submission process. Each report will be reviewed by UCUA members according to category and assessed against defined criteria for recognition eligibility. Submissions are put to voting, with winning entries earning awards and additional safety performance points. To encourage ongoing participation, top safety contributors will receive further recognition in annual performance appraisals.

##### *Safety 360 Programme*

The Safety 360 Programme was established to cultivate a resilient safety culture across operations over five (5) years, promoting active participation and heightened awareness throughout the Group. This initiative aims to shift workplace safety from a procedural obligation to an ingrained mindset, fostering a strong sense of ownership and collective responsibility.

The programme is built around four (4) core principles:

 <p><b>Ownership</b></p> <p>Cultivating a proactive safety mindset where every individual takes personal responsibility for their well-being and that of their colleagues.</p>	 <p><b>Self-Assessment</b></p> <p>Empowering employees to independently identify, evaluate and mitigate hazards, enhancing their autonomy in risk management.</p>	 <p><b>Voice of Safety</b></p> <p>Establishing open communication channels to ensure safety concerns are voiced, heard and addressed promptly.</p>	 <p><b>A Passion for Safety 24/7</b></p> <p>Instilling an enduring commitment to safety that extends beyond the workplace, embedding it as a way of life.</p>
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## Empowering Our People and Enriching Our Communities

### Monthly EHS Awareness Campaign

At our Sarawak operations, we launched a monthly EHS awareness campaign to instil a proactive safety culture among employees. Each month spotlighted a distinct theme — spanning workplace safety, health, environmental sustainability and fire prevention. Some of the highlights of our awareness campaigns included:

Campaign	Objectives
<b>Health</b>	
<b>Wellness at Work: Empowering a Healthy Future</b>	Promoted a balanced lifestyle encompassing physical, mental and spiritual fitness, emphasised prevention over cure.
<b>Let's Count Our Teeth Together!</b>	Educated employees on dental care to prevent decay and disease and raise awareness about the value of prevention over treatment.
<b>Blood Donation: Be A Hero, Be A Donor</b>	Raised awareness of the importance of blood donation in the life-saving event.
<b>You're Not Alone</b>	Highlighted mental health prevalence, promoted help-seeking and encouraged self-care for resilience.
<b>The Beauty of Smile</b>	Reinforced the importance of oral health as a preventive measure against dental issues.
<b>Your Health, Your Wealth</b>	Advocated proactive health management through blood donation awareness and free health screenings.
<b>Safety</b>	
<b>Guard Wear Pro</b>	Enhanced safety consciousness with PPE training, equipping employees to inspect and use gear effectively.
<b>Environment</b>	
<b>Think Before You Trash</b>	Instilled environmental awareness, encouraging waste segregation and cradle-to-cradle practices.
<b>Climate Connection: Shaping a Sustainable Future</b>	Promoted sustainable practices and active participation in environmental initiatives.
<b>Fire Fighting</b>	
<b>Safety Ever Fire Never</b>	Educated on fire prevention, detection and response, empowering employees to reduce risks.



PMI EHS Month Campaign



PMBA Quality and EHS Month Campaign



UCUA Launching at PMBtu

## Empowering Our People and Enriching Our Communities

### Hazards Prevention and OHS Risks Reduction

Press Metal leveraged the hierarchy of controls to systematically address OHS risks and prioritised the most effective mitigation strategies.

Below are the five (5) levels of action and examples of corresponding measures:

	<b>Elimination</b> Eliminate processes involving the use of hazardous equipment, machines, tools or materials.
	<b>Substitution</b> Identify alternative methods/ tools for specific tasks.
	<b>Engineering Controls</b> Enhance workplace safety through identification of associated risks of activities in accident prone areas using HIARODC and develop areas of improvement and introduce improvements to our workplace standards, specifications and designs.
	<b>Administrative Controls</b> Review and update SOPs, conduct targeted training, strengthen OHS compliance monitoring and enforcement. Enforce stringent disciplinary measures for unsafe practices by linking to performance incentives.
	<b>Personal Protective Equipment</b> Review adequacy and suitability of personal protective equipment (“PPE”) annually, as well as implement strict compliance in PPE compliance during working hours as well as educate employees in proper usage of PPE.

### Ergonomic Risk Assessment

An ergonomic risk assessment was conducted to identify potential hazards and risk factors that could contribute to discomfort or musculoskeletal injuries. In FYE2024, PMAR conducted assessments to identify various ergonomic hazards, leading to the implementation of targeted control measures such as back support chairs for all office workers and promoting regular micro breaks with stretching exercises to enhance workplace well-being.

### Minimising Heat-Related Illnesses

Measures were introduced to safeguard employee health and wellbeing in high-temperature and outdoor working environments. At operational sites in China, hydration stations were established, providing beverages and fruits to support worker hydration. Industrial cooler fans were installed to enhance air circulation and moderate ambient temperatures in designated work areas.

In addition, on-site ambient temperature monitoring is conducted to assess workplace heat conditions, offering real-time data to inform continuous improvements in occupational safety and environmental comfort.

### Building Internal Capacity Through Health and Safety Training

A comprehensive range of training programmes are provided to strengthen health and safety awareness among employees and contractors. Guided by HIARODC evaluations, the programmes are designed to enhance knowledge through customised training programmes that suit individual needs.

Participants are expected to develop enhanced skill sets and sharpen problem-solving abilities, equipping them to make informed decisions on workplace health and safety matters upon completing the training. Regular reviews and updates are conducted to uphold the effectiveness of these programmes, incorporating feedback gathered through post-training evaluations to refine content and delivery.

These efforts are supported by ongoing initiatives such as the One Point Lessons programme and Video Standard Operating Procedure (“VSOP”) 2.0.

#### One Point Lessons

Provide concise, targeted messages aimed at cultivating an increased sense of safety awareness among workers.

#### VSOP 2.0

Presents visual representations of safety hazards and control measures for easier understanding this presentation is available in English, Mandarin and Burmese.

## Empowering Our People and Enriching Our Communities

Additionally, all employees are required to complete a minimum of four (4) hours of EHS training. These sessions were conducted by registered internal trainers or team members who have undergone the “Train the Trainer” course, to support consistency and quality in workplace safety education.

During FYE2024, a variety of training sessions were conducted for employees and contractors, including:

<p><b>EHS Training</b></p>	<ul style="list-style-type: none"> <li>• Aimed at equipping employees, especially new hires, with essential knowledge, skills and awareness to maintain safe working environments.</li> <li>• Topics covered: EHS induction training, chemical management training, PPE training, ISO awareness training, HIARODC training, EAIA training, waste management training and One Point Lessons.</li> </ul> <p><b>Total number of training sessions: 1,603</b></p>
<p><b>Safety 360 Training</b></p>	<ul style="list-style-type: none"> <li>• Objectives such as achieving zero (0) accidents, enhancing our employees’ 360-degree safety perspective, transforming our safety culture and fostering increased ownership and responsibility on safety.</li> </ul> <p><b>Total number of training sessions: 128</b></p>
<p><b>Health Awareness Training</b></p>	<ul style="list-style-type: none"> <li>• A range of programmes such as: Hearing Conservation Programme, Health Screening Programme, Heat Stroke Prevention Training, Breast Cancer Prevention Talk, Cervical Cancer Prevention Talk and Mental Health Awareness Talk.</li> </ul> <p><b>Total number of training sessions: 215</b></p>
<p><b>Emergency Response Training</b></p>	<ul style="list-style-type: none"> <li>• Aimed at equipping our workers with skills, knowledge and coordination abilities to respond effectively and safely to emergencies.</li> </ul> <p><b>Total number of training sessions: 296</b></p>
<p><b>Special Equipment &amp; Machinery Operation</b></p>	<ul style="list-style-type: none"> <li>• Designed to educate individuals on the safe and efficient operation of specialised equipment.</li> <li>• Provided essential knowledge, skills and protocols to ensure proper usage of equipment, minimise risks and maintain a secure working environment.</li> </ul> <p><b>Total number of training sessions: 27</b></p>

### Enhancing Employee Health & Welfare

We prioritised comprehensive health support through medical care, screenings and annual health surveillance. In Sarawak, dedicated facilities — including in-house clinics, audiometric rooms and medical transport — are staffed by a team of five (5) doctors, four (4) medical assistants and nine (9) nurses. Annual health assessments across Sarawak, PMBA Klang in Selangor and China monitored key metrics (e.g., blood glucose, blood pressure), with female-specific screenings including breast cancer checks. We uphold strict confidentiality in managing health screenings and medical records in compliance with Malaysia’s PDPA 2010.

### AI Safety Production Management System

A transformative upgrade was implemented within one (1) of our manufacturing processes through the AI-driven Safety Production Management System. The integration of advanced sensors, including level sensors, cooling water temperature sensors, and pressure transmitters, enabled real-time monitoring of production processes. This phased digital transformation commenced in FYE2024 across operations in Sarawak and China, with an investment of RM6.6 million.

In phase 1 of our digital transformation, Press Metal focused on:

<p><b>Real-Time Monitoring</b></p> <p>Tracks production processes, records and personnel safety compliance, ensuring smooth operations and workplace safety.</p>	<p><b>Enhanced Emergency Response</b></p> <p>Detects production abnormalities instantly, reducing reliance on manual identification and improving reaction times.</p>
<p><b>Cooling System Oversight</b></p> <p>Delivers early warnings and real-time monitoring of the cooling water system, maintaining optimal water levels during emergencies or power outages.</p>	<p><b>Closed-Loop Alerts</b></p> <p>Strengthening response mechanisms for safety and operational concerns through alerting to relevant authorised personnel.</p>

## Empowering Our People and Enriching Our Communities

### Safety Enhancements Following Major Fire Incident at Samalaju

In September 2024, a fire incident occurred at Press Metal's Samalaju operation site, triggered by a pot leakage. The incident took place during late-night hours; however, prior emergency response drills enabled the effective and timely activation of the site's emergency response protocol.

Operational personnel were promptly mobilised to contain the leakage and prevent escalation to adjacent pots. The incident resulted in no injuries or fatalities.

As part of our commitment to workplace safety, we conducted thorough investigations and implemented a series of safety enhancements to reinforce operational controls and mitigate future risks, including:

<p>▶ <b>Enhanced Monitoring Protocols</b></p> <p>Strengthened temperature monitoring and tagging procedures for early detection of issues.</p>	<p>▶ <b>SOP Review and Updates</b></p> <p>Revised standard operating procedures to improve preventive actions in place.</p>
<p>▶ <b>Technology Integration</b></p> <p>Explored real-time monitoring solutions and advanced detection methods for better responsiveness.</p>	<p>▶ <b>Containment Strategies</b></p> <p>Developed portable containment systems to minimise impact during similar incidents.</p>

### HOW WE PERFORMED IN 2024

#### Health & Safety Performance

At Press Metal, we reaffirmed our commitment to workplace safety, achieving zero (0) fatalities in 2024. However, we fell short of our target to keep the LTIFR below 2.5, as LTIFR rose from 2.7 in FYE2023 to 3.2 in FYE2024. This increase was attributed to challenges faced by our newly operational facilities, which encountered challenges during the construction and startup phases, including unfamiliarity with safety processes and risks. To address this, we thoroughly investigated each incident and promptly took corrective actions to improve our safety performance. This experience underscored the need for heightened hazard awareness and a stronger safety culture in new operations. The All Injury Frequency Rate ("AIFR") also showed an upward trend, reinforcing the importance of a more proactive and targeted approach to safety management.

For work-related injuries, we conducted thorough investigations to determine root causes, and corrective actions were promptly taken to prevent recurrence.

Indicators	2022		2023		2024	
	Number	Rate	Number	Rate	Number	Rate
<b>Employees</b>						
<b>Work-Related Injuries</b>						
Hours Worked	20,202,341	N/A	19,722,207	N/A	20,851,246	N/A
Number of Work-Related Fatalities	1	0.1	0	0	0	0
High-Consequence Work-Related Injuries	0	0	5	0.3	0	0
LTIFR*	67	3.3	54	2.7	66	3.2
LTIR**	67	0.7	54	0.5	66	0.6
Recordable Work-Related Injuries	111	N/A	82	N/A	126	N/A
AIFR	N/A	5.6	N/A	5.2	N/A	7.6
<b>Contractors</b>						
<b>Work-Related Injuries</b>						
Fatalities	1	N/A	0	N/A	0	N/A
High-Consequence Work-Related Injuries	0	0	0	0	0	0
Recordable Work-Related Injuries	12	N/A	6	N/A	6	N/A

#### Notes:

- FYE2022 and FYE2023: Aggregated data from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
- FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.
- Definition of lost time injuries: Accident which results in the injured person being absent for one or more workdays beyond the day of the accident.
- LTIFR and LTIR data covered employees only from FYE2022-FYE2024 and the inclusion of contractors will commence in FYE2025.

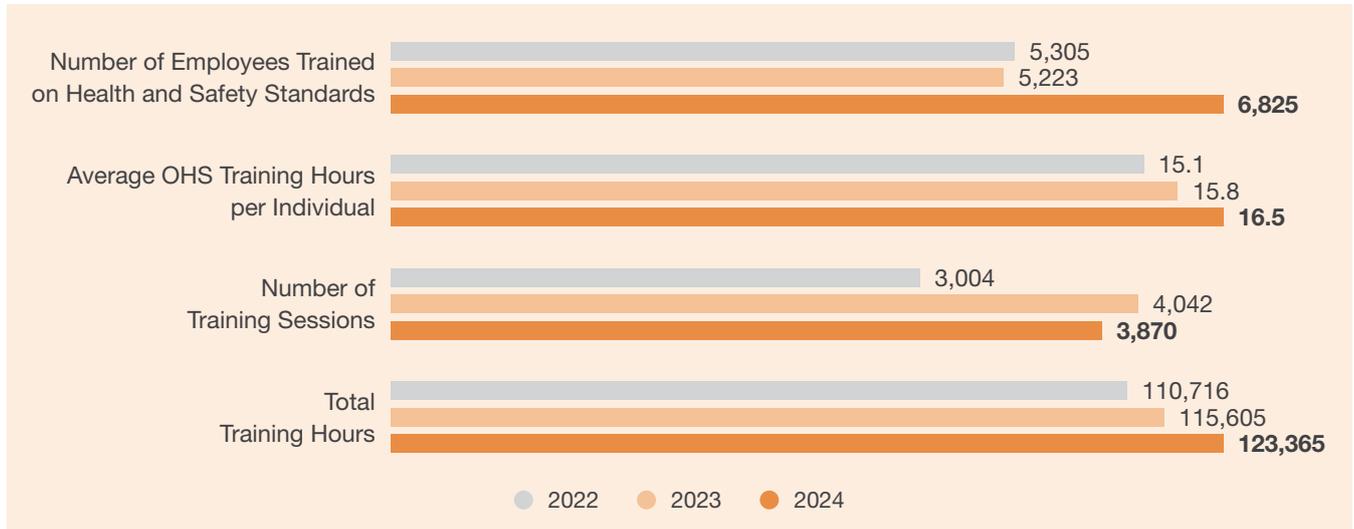
#### Definition:

\* LTIFR formula: Number of lost time injuries/ total hours worked x 1,000,000 (Based on the International Aluminium Institute and GRI Standards, the LTIFR is calculated per 1,000,000 hours worked).

\*\* LTIR formula: Number of lost time injuries/ total hours worked x 200,000 (In accordance with the Bursa Malaysia's Listing Requirements, the LTIR is calculated per 200,000 hours worked).

## Empowering Our People and Enriching Our Communities

### OHS Training Performance



**Notes:**

1. FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### Stop Work Orders

During FYE2024, the HS Department issued five (5) SWOs during routine patrols at PMBtu. Each order was reviewed by the respective Heads of HS Department to ensure that the necessary safety measures were implemented before work recommenced.

### GOING FORWARD

Press Metal is dedicated to cultivating a workplace where safety is paramount. We continue to identify and mitigate potential hazards associated by reinforcing our safety framework. By fostering a mature safety culture, we strive to empower our workforce with self-discipline, teamwork, and accountability to forge a safer, more cohesive working environment.

To further enhance employee competency, we continued to develop structured training programmes that blend practical experience with theoretical knowledge, fostering a skilled and safety-conscious workforce. Beyond training, we are exploring advanced safety technologies, such as AI-driven safety analytics and integrated monitoring systems. These innovations enable real-time assessment of workplace conditions, delivering predictive insights that allow us to pre-emptively mitigate risks before they escalate.

Through this approach, we strive to achieve a culture of shared responsibility, where every individual is both a contributor to and beneficiary of our safety tenet.

## Empowering Our People and Enriching Our Communities

### HUMAN RIGHTS

GRI 2-16, GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-25, GRI 2-26, GRI 2-30, GRI 3-3, GRI 406-1, GRI 407-1, GRI 408-1, GRI 409-1, GRI 410-1, GRI 411-1, GRI 413-1

M15

#### Capitals



#### SDGs



### WHY IT MATTERS



In the global business landscape, the prioritisation of human rights stands as both a moral imperative and a fundamental of sustainable progress. Upholding these rights fosters a workplace built on respect, equity, and integrity, ensuring that individuals – regardless of their background or identity – are treated with dignity and equal opportunities. This commitment to fairness and inclusivity not only cultivates a sense of belonging but also promotes shared values, driving productivity and resilience towards a sustainable future.

Managing social risks remains essential in maintaining a safe and secure operating environment for all stakeholders. By systematically identifying vulnerabilities and implementing robust risk mitigation approaches, Press Metal can honour our dedication to human rights while simultaneously protecting the well-being of employees, surrounding communities, and extended networks across their spheres of influence.

### OUR APPROACH



#### Integrating International Human Rights Principles

At Press Metal, we are committed to embedding human rights principles across our workforce and supply chain, guided by globally recognised standards and frameworks. Our reference to the eight (8) core conventions of the International Labour Organisation (“ILO”), the International Bill of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the Voluntary Principles on Security and Human Rights underscores this dedication. These principles were integrated into our Human Rights Policy, which serve as a robust framework to ensure that no individual within our sphere of influence faces discrimination, mistreatment, or any form of modern slavery, forced labour, or compulsory labour.

The policy also incorporates key areas such as women’s rights, children’s rights, indigenous peoples, social management systems, local community collaboration, health and safety, and security practices. This policy is publicly accessible at <https://www.pressmetal.com/investor-relations/corporate-governance.php>.

To ensure effective implementation, internal governance procedures – including supply chain management practices – are regularly reviewed and updated every five (5) years or as required, in line with guidance from the ASI.

#### Overseeing Human Rights Compliance

Press Metal upholds human rights compliance with oversight from the highest levels of leadership. Our SC, and Independent Non-Executive Director Lim Hun Soon @ David Lim, oversee human rights matters within the Group.

At the operational level, the Human Rights Policy is strictly enforced by relevant departments, ensuring alignment with the Group’s ethical and sustainability commitments. This structured approach ensures that human rights stewardship permeates every facet of our operations, reinforcing our commitment to responsible governance.

## Empowering Our People and Enriching Our Communities

The Human Rights Policy is enforced in the day-to-day operations across relevant functions, as outlined below:

Department	Responsibilities
Human Resource	<ul style="list-style-type: none"> <li>• Develop and oversee the Company’s human rights practices and strategy to ensure alignment with human rights standards.</li> <li>• Ensuring recruitment and labour practices align with human rights standards.</li> <li>• Conduct human rights training programmes, due diligence and impact assessments.</li> <li>• Maintain an effective grievance mechanism.</li> </ul>
Legal	<ul style="list-style-type: none"> <li>• Maintain the Legal and Compliance Register to identify applicable laws and regulations.</li> <li>• Continuously monitor and update for regulatory changes.</li> <li>• Exercise contract oversight to identify potential human rights risks and enforce ethical business practices.</li> </ul>
Sustainability	<ul style="list-style-type: none"> <li>• Oversee the implementation of human rights initiatives.</li> <li>• Monitor and report on the human rights performance through sustainability disclosure.</li> </ul>
Purchasing/ Supply Chain	<ul style="list-style-type: none"> <li>• Conduct supplier due diligence to ensure compliance with the Company’s human rights commitments and ethical sourcing standards.</li> <li>• Provide training and capacity-building to suppliers.</li> <li>• Continuous monitoring of supply chains for potential human rights risks.</li> </ul>
Internal Audit	<ul style="list-style-type: none"> <li>• Conduct regular internal audits to ensure compliance with human rights standards and identify areas for improvement.</li> </ul>
Risk	<ul style="list-style-type: none"> <li>• Identify, assess and mitigate human rights risks within the Group’s operations and supply chain.</li> <li>• Integrate human rights considerations into the Group’s enterprise risk management framework.</li> </ul>

### Upholding Workers’ Rights

Press Metal is committed to upholding workers’ rights, ensuring that working hours, employment terms and conditions fully comply with applicable labour laws and regulations across our operational jurisdictions.

Beyond regulatory compliance, we prioritise fostering a safe, healthy, and supportive work environment. In addition to workplace conditions, we also strive to enhance employees’ overall quality of life through initiatives such as township development in PMBtu, which provides improved living conditions, community spaces, and access to essential amenities.

 For more details, refer to *Enhancement of Workers’ Accommodation Facilities* section of this SR 2024.

### Respecting Freedom of Association and Collective Bargaining

Respecting workers’ rights to participate in trade unions, worker organisations and collective bargaining is a fundamental aspect of Press Metal’s Human Rights Policy. The Group upholds fair labour practices and fosters a workplace culture that promotes collaboration and mutual respect between employees and employers.

Press Metal facilitates the voluntary election of workers’ and hostel representatives and has established a women’s committee to serve as a vital conduit between staff and leadership. These representatives actively participate in structured forums — such as town halls and management meetings — to address workplace matters, ensuring employee voices are heard and valued.

Across all operations, the Group enforces strict adherence to applicable laws and regulations in the jurisdictions where it operates, sustaining high standards of ethical and responsible business conduct.

## Empowering Our People and Enriching Our Communities

### Upholding Children's Rights

Press Metal places the protection and promotion of children's rights as one of the key aspects of responsible business practices. Aligned with the United Nations Children's Fund Children's Rights and Business Principles, our Human Rights Policy supports fundamental rights related to life, family, education, health, nutrition, water, identity, freedom and protection.

In strict compliance with child labour laws, stringent recruitment procedures are enforced, ensuring no individual below the minimum age is employed. Additionally, we actively contribute to children's welfare through targeted social investments and philanthropy, reflecting our broader commitment to societal well-being.

### Promoting Indigenous Rights

Press Metal adheres to the rights of indigenous peoples, maintaining fair and equal treatment without discrimination while respecting their political status, social and cultural practices, and economic development. The Group also endorses the principles outlined in the United Nations Declaration on the Rights of Indigenous Peoples, integrating them into its Human Rights Policy.

The Group endorses the Free, Prior and Informed Consent ("FPIC") principles, making certain that indigenous communities are informed in advance and that consent is obtained without coercion before proceeding with any development initiatives. Engagement with indigenous communities is conducted with transparency and respect, protecting their rights and participation in matters related to Press Metal's developments.

These commitments were formalised in the SOP for Indigenous Peoples, which provided a structured framework for responsible engagement.

The SOP encompasses key considerations to instil cultural protocols and differences across various aspects, including:

01	02	03	04	05
Business and Operations	Environmental Performance	Human Resource	CSR	Other related issues at State, Federal or International Levels

Press Metal seeks to foster meaningful relationships with indigenous communities, supporting the preservation of their unique cultures and knowledge systems while adhering responsible and sustainable business practices.

### Implementing Ethical Security Practices

Press Metal ensures the safety of our people and assets through the deployment of professionally trained auxiliary police officers across our operational sites. In Malaysia, the auxiliary police officers undergo rigorous training at registered centres, in compliance with the Police Act 1967, equipping them with the skills and awareness to perform their duties responsibly.

Our SOP for Auxiliary Police, alongside adherence to the Voluntary Principles on Security and Human Rights, governs the conduct of the auxiliary police, ensuring alignment with human rights and labour standards. In China, security personnel operate in full compliance with the Civil Code of the People's Republic of China.

All security personnel will receive training on our Human Rights Policy, ABAC Policy, CoC, and procedures addressing anti-harassment, anti-abuse, and anti-forced labour.

### Harassment in the Workplace

Press Metal is focused on cultivating a workplace that is safe, healthy and uplifting for every employee. Central to this pledge is our updated Human Rights Policy, which explicitly prohibits all forms of harassment, including sexual harassment, driving our zero-tolerance stance on behaviour that undermines dignity or well-being.

A grievance reporting system has been established, providing employees with a formal channel to report incidents of harassment. This mechanism upholds principles of fairness, impartiality and confidentiality, allowing all concerns to be addressed with due diligence. Employees are encouraged to come forward without hesitation or fear of retaliation, nurturing a workplace environment built on respect, integrity and accountability.

## Empowering Our People and Enriching Our Communities

### Modern Slavery Statement

Press Metal places the suppression of modern slavery and human trafficking as a fundamental priority in achieving ethical labour practices. Aligned with the ILO Declaration on Fundamental Principles and Rights at Work, Press Metal advocates responsible conduct throughout our operations and supply chain.

### Business Structure and Supply Chain

Our Modern Slavery Statement encompasses all employees and suppliers across our manufacturing entities.

 Read more about our business structure and supply chain in Our Integrated Value Chain and Responsible Sourcing sections of this IAR 2024.

### Governance and Policies

Our commitment to human rights is embedded across all levels of employment and business operations. Employees, including foreign workers, are provided with an Employee Handbook, which outlines workplace policies, expectations and rights. The Employee Handbook is available in multiple languages to ensure accessibility and clarity on rights, policies and expectations and to fully understand their rights and responsibilities.

Human rights considerations are integrated into the employment process, with recruitment agencies required to meet strict contractual obligations to prevent unethical labour practices. In addition, human rights due diligence is conducted to identify and mitigate potential risks, making certain of fair treatment and ethical employment standards.

Beyond direct employment, these commitments extend across the supply chain. Suppliers and contractors are expected to uphold human rights principles in line with the SCoC and Responsible Sourcing Policy.

### Social Management System

A structured approach to human rights management is integral to ensuring compliance and alignment with business objectives. This is achieved through the Social Management System (“SMS”), a framework designed to standardise processes and practices for the consistent implementation of human rights policies. This system enables a proactive approach to assessing and managing human rights risks, with a focus on continuous improvement through regular reviews, corrective actions and system enhancements.

The SMS comprises nine (9) key elements:

- |   |   |
|---|---|
| <b>1</b> Policy                                 | <b>6</b> Stakeholder Management                         |
| <b>2</b> Identification of Risks and Impacts    | <b>7</b> External Communication and Grievance Mechanism |
| <b>3</b> Management Programme                   | <b>8</b> Monitoring and Review                          |
| <b>4</b> Organisational Capacity and Competency | <b>9</b> Reporting                                      |
| <b>5</b> Emergency Preparedness and Response    |   |

### Risk Assessment and Management

Press Metal takes a proactive stance in identifying and mitigating risks across our operations and supply chain. Through regular human rights impact assessments and due diligence, we work to identify, evaluate, and mitigate potential concerns. Our efforts to uphold human rights and prevent any possible violations include the following:

### Social Impact Assessment

In FYE2024, Press Metal commissioned a comprehensive Social Impact Assessment (“SIA”) for PMBtu, conducted by an independent third-party consultant. This initiative builds upon a similar evaluation undertaken for our PMS operation in 2023, delivering our commitment to understanding and enhancing the social footprint of our activities while maintaining stakeholder engagement.

## Empowering Our People and Enriching Our Communities

The SIA engaged a diverse spectrum of stakeholders, including employees, local communities, government agencies, NGOs, suppliers, contractors and media representatives. Gathering multifaceted insights through socioeconomic surveys, in-depth interviews and focus group discussions, this rigorous process yielded a broad understanding of the facility's role and influence within its surrounding community, providing a foundation for informed decision-making.

The assessment provided insights into several positive contributions stemming from our operations, including substantial job creation, educational support programmes, and community sponsorships that uplift local livelihoods. However, it also highlighted opportunities for improvement, notably the need for greater awareness of our CSR initiatives, improved communication with the business community and increase engagement with local stakeholders. In response, Press Metal has swiftly implemented targeted measures to increase CSR outreach efforts, establishing regular engagement channels, encouraging greater employee participation, expanding skills training programmes, and organising community workshops. Collectively, these actions are designed to forge stronger, more collaborative relationships, promote mutual understanding, and drive sustainable growth within the communities we serve.

The insights derived from the SIA have been systematically integrated into our Social Management Plan, aligning into policies and procedures including the Social Management System Policy and its SOPs, Human Rights Policy, OHS Policy, Ethical Conduct Policy and Procedure and the Complaint and Grievance Procedure. The Social Management Plan is a dynamic document with action plans developed to address CSR initiatives, employee engagement programmes, skills development opportunities, community workshops and job creation strategies.

Guided by practices of the ASI, we are committed to reviewing the SIA at least once every five (5) years. This periodic reassessment facilitates the continued relevance of our social impact approach, fostering a cycle of continuous improvement that addresses emerging challenges and supports our dedication to sustainable community development.

### ***Human Rights Due Diligence***

Human rights due diligence is an ongoing and continuous process aimed at raising awareness and understanding of human rights-related risks associated relevant to our operations.

Our human rights due diligence framework adopts a risk-based methodology, structured around four (4) key elements:



## Empowering Our People and Enriching Our Communities

### **Human Rights Impact Assessments**

Integral to the human rights due diligence process, our Human Rights Risk and Impact Process Flow incorporates the human rights risk and impact assessment methodology from this International Finance Corporation's Guide to Human Rights Impact Assessment and Management. It follows a five (5)-step approach:

#### **Planning & Scoping**

Identifying the most relevant human rights issues to our industry and operations.

Screening of potential human rights risks associated with our operations through regular monitoring and engagement with stakeholders.

#### **Identification of Human Rights Risks**

#### **Human Rights Risk Assessment**

Evaluating the severity and likelihood of human rights risks through the conduct of impact assessments, considering the Group's operations, supply chain and local contexts.

Developing and implementing policies and action plans to address identified risks in a timely manner. This includes improving labour conditions, ensuring fair wages, and promoting diversity and inclusion. Regular training, monitoring, and audits help to enforce these practices.

#### **Mitigation and Management**

#### **Reporting & Updates**

Providing regular updates to the management and the Board on the status of human rights risks and mitigation efforts to ensure continuous alignment with the Group's policies and objectives.

### **Supplier Assessments**

Press Metal extends its human rights commitment across our supply chain, making sure suppliers align with our Responsible Sourcing Policy and SCoC. We conduct thorough evaluations through SSAQ, on-site audits and inspections, maintaining a rigorous oversight process. Where risks are identified, we collaborate with suppliers to develop timed action plans and corrective measures.

## Empowering Our People and Enriching Our Communities

### Training and Awareness

Press Metal invests in training and awareness programmes to equip our workforce with the knowledge to identify modern slavery risks and understand available reporting channels effectively. This fosters a vigilant and informed workforce, strengthening our ethical foundation.

Throughout the year, we have delivered a series of impactful sessions, including:

- ▶ Employee Handbook Briefing, incorporating the Human Rights Policy.
- ▶ Employee Grievance Procedure.
- ▶ Human Rights & Ethical Business Practices.
- ▶ Empowering Managers in Navigating and Addressing Bullying and Harassment Reports.
- ▶ Employment Law & Industrial Relations in Human Resource & Termination Procedures.

We extend training to suppliers as part of our responsible sourcing initiatives, enhancing compliance and awareness across our value chain.

### Assessment of Effectiveness of Actions Taken

Evaluating the impact of our human rights initiatives is essential to driving continuous improvement in our labour and human rights practices. Press Metal has established multiple channels for stakeholders to raise concerns, including an internal grievance mechanism for employees and the Local Community Grievance Management SOP tailored for communities impacted by our operations in Sarawak. Additionally, the whistle-blowing platform empowers both internal and external stakeholders to report concerns anonymously, with protections against retaliation securing trust and accessibility. Should human rights violations be identified, we act decisively, implementing corrective actions and, where applicable, providing remedies and compensation to affected parties.

To date, **zero (0)** human rights-related grievances or violations have been reported.

## OUR VALUE CREATION



At Press Metal, we acknowledge the evolving nature of human rights risks and are committed to maintaining a proactive stance in safeguarding our compliance. We are also committed to regular reviews of our Social Management Plan, or where necessary, and undertake comprehensive human rights due diligence processes at least every five (5) years, ensuring our practices remain robust and responsive to emerging challenges.

Entity	Assessment/ Audit
PMBtu	<ul style="list-style-type: none"> <li>• Performed Human Rights Due Diligence</li> <li>• Performed a third-party audit on ASI Performance Standard, which included compliance assessment on human rights</li> </ul>
PMI	<ul style="list-style-type: none"> <li>• Performed Human Rights Due Diligence</li> <li>• Performed an internal audit and conducted third-party external audit on ASI Performance Standard, including compliance assessment on human rights</li> <li>• Performed social risk factor assessment, assessment scopes including human rights and labour practices</li> </ul>
PMS	<ul style="list-style-type: none"> <li>• Commenced the Human Rights Due Diligence exercise</li> </ul>

At present, our ongoing human rights risk assessments revealed that there are no salient risks. Nevertheless, we remain vigilant and will continuously monitor potential emerging issues and to refine our mitigation strategies to uphold our commitment to ethical and responsible practices.

## Empowering Our People and Enriching Our Communities

Following our human rights due diligence and impact assessment, we had identified key areas for improvement across our operations, including:

<div style="border: 2px solid #f4a460; border-radius: 15px; padding: 10px; margin-bottom: 10px;"> <p style="font-size: 2em; font-weight: bold; margin: 0;">1</p> <p>Adapting to regulatory changes to maintain compliance and operational continuity.</p> </div>	<div style="border: 2px solid #f4a460; border-radius: 15px; padding: 10px; margin-bottom: 10px;"> <p style="font-size: 2em; font-weight: bold; margin: 0;">2</p> <p>Strengthening labour practices related to overtime, rest days, and public holidays.</p> </div>
<div style="border: 2px solid #f4a460; border-radius: 15px; padding: 10px;"> <p style="font-size: 2em; font-weight: bold; margin: 0;">3</p> <p>Enhancing fair and transparent employment practices.</p> </div>	<div style="border: 2px solid #f4a460; border-radius: 15px; padding: 10px;"> <p style="font-size: 2em; font-weight: bold; margin: 0;">4</p> <p>Supporting access to fair trial and due process to foster a positive work environment.</p> </div>

To address the identified improvement areas, we had implemented targeted measures, including policy refinements, enhanced compliance monitoring, and stakeholder engagement. In line with the Group’s five (5)-step human rights risk and impact assessment methodology, key risks and corresponding mitigation measures were regularly monitored, and the updates were reported to management and the Board.

Beyond our current operations, Social Impact Assessments were incorporated into the EIA process for new projects and potential developments. This due diligence consideration included evaluation of potential risks and opportunities for socioeconomic and environmental impacts. Where risks were detected, appropriate measures were taken to mitigate risks and enhance beneficial outcomes.

Compliance with all relevant laws remained a priority for Press Metal, complemented by our proactive alignment with international best practices in human rights and social responsibility.

### HOW WE PERFORMED IN 2024 ▼

Key Performance Indicators	2022	2023	2024
Incidents of violation involving rights of indigenous people	0	0	0
Number of incidents relating to discriminations, child labour, or forced or compulsory labour	0	0	0
Number of substantiated complaints concerning human rights violations	0	0	0

*Notes:*  
 1. FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.  
 2. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### GOING FORWARD

Business practices will be monitored to minimise potential human rights and labour risks while we ensure fair wages, safe working conditions, and the strict prohibition of child or forced labour across all operations. At the same time, efforts to enhance employee well-being will include ongoing improvements to workers’ accommodation and dormitory facilities in order to create a safer and more supportive work environment.

Beyond the workplace, stronger partnerships with local communities will help drive meaningful social impact, with a focus on education, healthcare, and social welfare programmes. Strengthening these relationships goes hand-in-hand with efforts to improve supply chain transparency and monitoring, particularly in high-risk areas, to address potential human rights concerns and uphold ethical business practices.

Ensuring alignment with stakeholder expectations and global best practices remains a priority. Regular dialogue with employees, NGOs, and local communities will provide valuable insights to refine human rights strategies, fostering long-term sustainability and responsible growth.

## Empowering Our People and Enriching Our Communities

### DIVERSITY AND INCLUSIVITY

GRI 2-7, GRI 3-3, GRI 405-1, GRI 406-1

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#### Capitals

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#### SDGs



#### WHY IT MATTERS

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Promoting diversity and inclusivity strengthens organisations by uniting a wide array of perspectives and experiences that drive innovation and creativity. By nurturing an environment where diverse viewpoints, skills, and backgrounds are valued, organisations unlock diverse ideas and fresh approaches to address challenges. This diversity of thoughts enhances adaptability, enabling them to remain competitive in an ever-changing market. In addition, inclusivity ensures that employees feel respected and empowered to contribute their unique strengths, fostering a deep sense of belonging that boosts engagement and supports talent retention.

Pairing inclusivity with diversity cultivates a workplace where motivation thrives. Individuals feel genuinely included and appreciated, hence, bolstering teamwork and driving productivity. This practical synergy transforms a diversified workforce into a strategic asset, equipping organisations to tackle problems effectively and achieve their objectives with greater success.

Beyond the workplace, embracing diversity and inclusivity enhances external relationships and elevates an organisation's reputation. A workforce reflecting diverse experiences is well-placed to understand and meet the needs of a broad customer base, delivering tailored solutions with precision. Moreover, a visible commitment to fairness in business practices builds trust and credibility, positioning the organisation as an attractive employer and a reliable partner. This approach not only draws in skilled professionals but also fortifies connections with stakeholders, cementing its standing within the wider community.

#### OUR APPROACH

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Guided by our Diversity Policy, the Board of Directors is committed to fostering diversity at every level of the organisation, embracing individuals irrespective of age, gender, ethnicity, nationality, sexual orientation, cultural heritage, religious beliefs, or socioeconomic background. In pursuit of fairness, we place merit, experience, and professional qualifications at the heart of all employee-related matters — spanning recruitment, training, performance evaluations, remuneration, and promotions.

In an industry historically shaped by male dominance, we strive to creating meaningful opportunities for women, striving to elevate their presence within our workforce. This effort is part of our broader mission to empower female employees across the Group. Underpinned by our Human Rights Policy, this policy advocates gender equality and prohibits all forms of gender-based discrimination, laying a robust foundation for equitable treatment and advancement.

The Board has set a clear target of achieving 30% female representation, as reflected in our current composition of three (3) female Directors among a total of ten (10) Board of Directors. In 2024, we revisited our gender diversity ambitions, reaffirming our aim to increase female participation in managerial roles to 30% while introducing new benchmarks for additional social indicators. This recalibration sharpens our focus, enabling us to drive sustainable progress across the full spectrum of social responsibility.

Our CoC further reinforces this ethos, upholding the dignity, privacy, and rights of every individual in the workplace. It explicitly forbids any actions that undermine or circumvent human rights, fostering an environment where respect and fairness are non-negotiable.

For more information on our Diversity Policy, Human Rights Policy, and CoC, please visit our corporate website at: <https://www.pressmetal.com/investor-relations/corporate-governance.php>.

#### Assessing our Governing Policies and Facilitating Grievance Reporting

The Board undertakes regular reviews on governing policies to ensure they remain adapted to the evolving demands of the business and our stakeholders. Complementing this, senior management conducts monthly assessments of diversity performance, including gender diversity indicators along with other sustainability indicators. At the entity level, our HR departments diligently oversee the implementation of diversity and inclusion initiatives, ensuring consistent application across the organisation.

## Empowering Our People and Enriching Our Communities

Our dedication to these principles is clearly articulated in the Human Rights Policy and Employee Handbook, both of which are communicated to staff through training sessions, communicating our expectations and equipping our employees to uphold them.

To support transparency and accountability, we have established accessible channels for reporting grievances, including a whistle-blowing platform that allows both internal and external stakeholders to flag concerns — such as violence, harassment, intimidation, or unsafe conditions. These mechanisms allow for anonymous reporting, safeguarding individuals from fear of reprisal, encouraging open dialogue and swift resolution.

Reinforcing this commitment, our Harassment and Bullying Prevention programme equips managers and supervisors with the tools and skills to address such issues effectively. By providing training and support, we empower leadership to respond with care and efficiency, offering solutions that prioritise the well-being of those affected.

Additionally, our focus on diversity and inclusion is reflected in a range of employee engagement initiatives — ranging from cultural awareness training and festival celebrations to robust grievance mechanisms. These efforts aim to create a workplace where every voice is valued and heard, fostering a workplace where diversity and inclusivity is embraced, ultimately, enhances both individual fulfilment and organisational success.

### OUR VALUE CREATION



In our commitment to nurture an inclusive workplace culture, we are committed to treating each and every employee equally and fairly, irrespective of gender, making our employees feel genuinely valued, robustly supported, and empowered to succeed. This commitment drives us to create an environment where fairness is not merely an aspiration but a lived reality, ensuring that all employees can thrive.

To attract and retain talented women in an industry, we had introduced a comprehensive array of initiatives that aimed to empower our female workforce and enhance their well-being. These practical yet thoughtful measures, reflected our dedication to fostering a workplace in championing gender equality and supported the diverse needs of our employees, with some of the key initiatives below:

#### Empowering Women in our Workplace

- PressNita functioning as a women's committee that upholds women's rights and promotes women's empowerment
- Implemented PressSafe, a mobile application that allows our female employees to address safety matters
- Established designated ladies' seats in our commuter buses
- Implemented female-only parking spots
- Installed CCTVs in blind corners and less crowded areas to enhance security and surveillance
- Provided designated "ladies' corner" at recruitment events
- Employed female bus drivers for female employees working shifts
- Conduct Women empowerment workshops (i.e., self-defence and basic car knowledge workshop)

#### Enhancing Well-Being of our Female Employees

- Equipped mini-marts with essential female hygiene products
- Reserved Multipurpose Hall for ladies' events every Wednesday
- Organised programmes and activities that encourage female participation (e.g., Galentine's Day, International Women's Day, Sexual Harassment Awareness Talk, Women's Health Talk, etc.)
- Provision of a lactation room at the workplace to support nursing mothers
- Maintained female doctor consultation visits for female employees

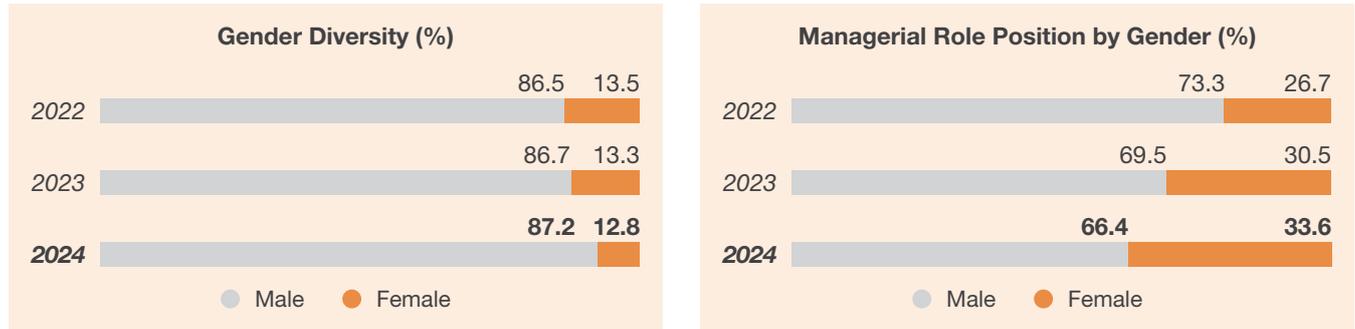
#### Providing Equal Growth & Development Opportunities

- Recruited women for office-based jobs, production tasks, forklift drivers, bus drivers, auxiliary police and coordinator roles to promote diversity and inclusion
- Conducted upskilling programmes in forklift operation techniques, safety protocols, load handling and equipment maintenance to empower women for career advancement and job enrichment

## Empowering Our People and Enriching Our Communities

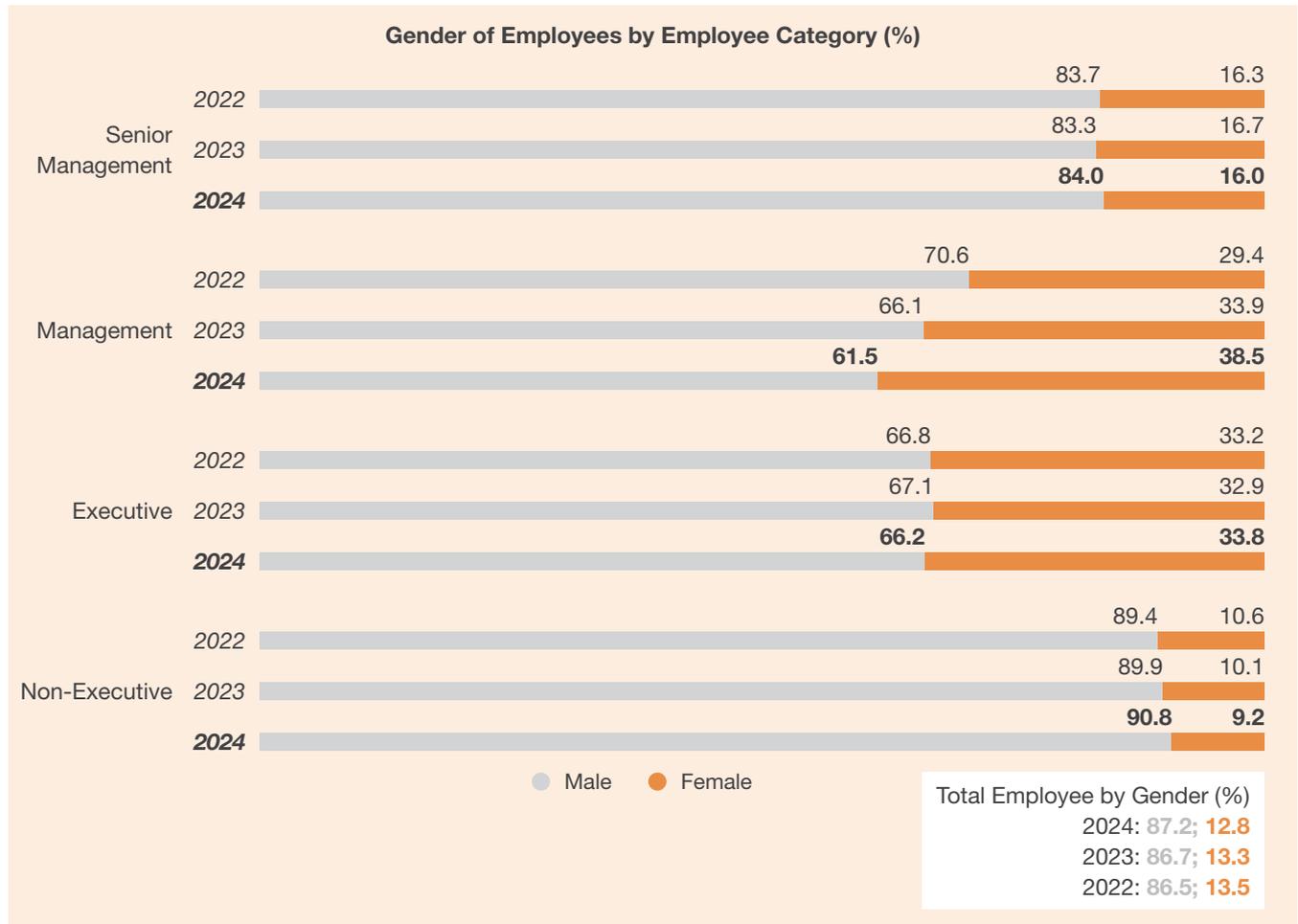
### HOW WE PERFORMED IN 2024

As a reflection of our ongoing efforts, we had successfully increased the representation of women in managerial roles to 33.6% and reported zero (0) instances of workplace discrimination during the year. While we met our targets for female participation in managerial positions, we remained committed to further enhancing the representation of women across our workforce, in line with our objective to promote non-discrimination and gender diversity within the workplace.



Notes:

1. FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.



Notes:

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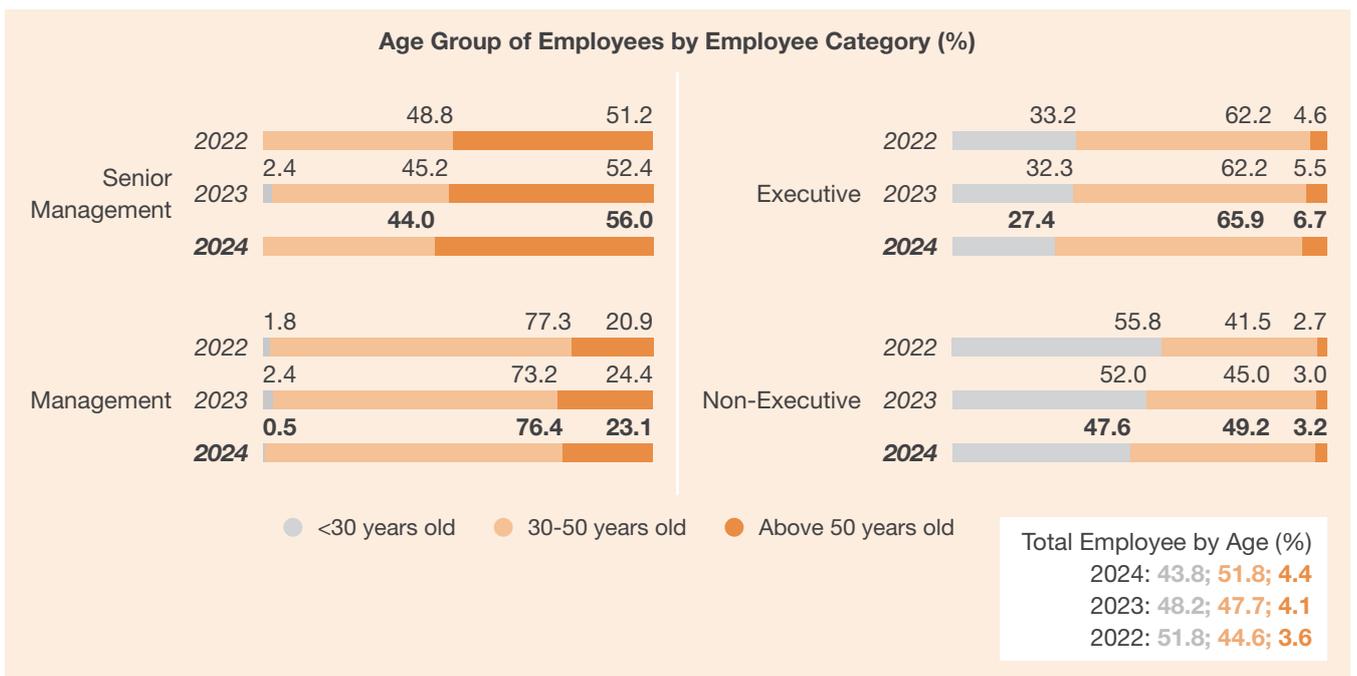
## Empowering Our People and Enriching Our Communities

### Age Group & Gender of Employees by Employee Category

Employee Category	2022					
	<30 years old		30-50 years old		Above 50 years old	
	Male	Female	Male	Female	Male	Female
Senior Management	0	0	17	4	19	3
Management	1	2	87	39	27	7
Executive	148	121	360	145	34	3
Non-Executive	3,287	217	2,173	434	160	12
<b>Total</b>	<b>3,436</b>	<b>340</b>	<b>2,637</b>	<b>622</b>	<b>240</b>	<b>25</b>

Employee Category	2023					
	<30 years old		30-50 years old		Above 50 years old	
	Male	Female	Male	Female	Male	Female
Senior Management	1	0	15	4	19	3
Management	1	3	79	44	31	10
Executive	155	119	370	156	43	4
Non-Executive	3,077	175	2,380	441	175	16
<b>Total</b>	<b>3,234</b>	<b>297</b>	<b>2,844</b>	<b>645</b>	<b>268</b>	<b>33</b>

Employee Category	2024					
	<30 years old		30-50 years old		Above 50 years old	
	Male	Female	Male	Female	Male	Female
Senior Management	0	0	17	5	25	3
Management	1	0	82	57	29	13
Executive	126	115	403	176	53	6
Non-Executive	2,873	168	2,733	407	193	10
<b>Total</b>	<b>3,000</b>	<b>283</b>	<b>3,235</b>	<b>645</b>	<b>300</b>	<b>32</b>



**Notes:**

- FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
- FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

## Empowering Our People and Enriching Our Communities

### Locality & Gender of Employees by Employment Category

Employee Category	2022			
	Local Employee		Foreign Employee	
	Male	Female	Male	Female
Senior Management	32	6	4	1
Management	104	47	11	1
Executive	506	269	36	0
Non-Executive	4,679	662	941	1
<b>Total</b>	<b>5,321</b>	<b>984</b>	<b>992</b>	<b>3</b>

Employee Category	2023			
	Local Employee		Foreign Employee	
	Male	Female	Male	Female
Senior Management	33	6	4	1
Management	98	56	11	1
Executive	524	279	44	0
Non-Executive	4,439	631	1,193	1
<b>Total</b>	<b>5,094</b>	<b>972</b>	<b>1,252</b>	<b>3</b>

Employee Category	2024			
	Local Employee		Foreign Employee	
	Male	Female	Male	Female
Senior Management	35	7	7	1
Management	97	69	15	1
Executive	527	298	57	0
Non-Executive	4,212	584	1,585	0
<b>Total</b>	<b>4,871</b>	<b>958</b>	<b>1,664</b>	<b>2</b>

#### Notes:

1. FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### Employees with Disability

Total Number of Employees	2022		2023		2024	
	Numbers	%	Numbers	%	Numbers	%
Employees with Disability	3	0.04	4	0.05	1	0.01

#### Notes:

1. FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### GOING FORWARD

Press Metal is resolute to cultivate an inclusive workplace culture where equality is a fundamental principle, transcending gender and embracing every employee with impartial regard. Our dedication lies in fostering an environment where each individual feels genuinely valued, steadfastly supported, and fully empowered to bring their distinct talents and perspectives to the forefront.

We aim to achieve equitable opportunities for professional growth, ensuring that access to development is both fair and far-reaching. In addition, we aim to nurture greater engagement in order to create pathways for employees to unlock their full potential and to contribute meaningfully to our shared goals, benefiting both our people and the Group as a whole.

## Empowering Our People and Enriching Our Communities

### TALENT AND LABOUR MANAGEMENT

GRI 2-7, GRI 2-8, GRI 3-3, GRI 202-2, GRI 401-1, GRI 401-2, GRI 401-3, GRI 402-1, GRI 404-1, GRI 404-2, GRI 404-3, GRI 407-1

M17

#### Capitals



#### SDGs



#### WHY IT MATTERS



Employees stand as the foundation of sustained growth and achievement, where their skills and dedication drive progress. Effective talent and labour management are not mere operational considerations but vital pillars that underpin the capacity to flourish. By providing a fair, merit-based compensation and training and development programmes, organisations are able to cultivate a foundation of trust and equity that resonates throughout the workforce and prepares the workforce of refined expertise and capabilities to meet the demand for future challenges. In maintaining strong labour relations, it also fosters a climate of collaboration and respect that promotes engagement, motivation, and satisfaction among employees.

Such efforts deliver substantial benefits to organisations through talent retention while nurturing a pool of human capital essential for long-term resilience. Emphasis on talent management fortifies the organisation’s competitiveness and enhances the ability to generate value, even as market conditions evolve.

#### OUR APPROACH



Press Metal embraces a holistic approach to talent management that encompasses clear strategies for recruitment, development, retention, leadership, and succession planning to nurture a highly skilled and caliber workforce. Our employee management system, underpinned by robust policies and procedures, aims for continuous growth and effectiveness of our talents and building a resilient organisation.

#### Upholding Ethical Recruitment Practices

Our HR Department has established comprehensive recruitment policies and procedures to ensure selections are based solely on merit and free from any influence of race, skin colour, gender, age, disability, sexual orientation, nationality, religion, marital status, family circumstances, cultural background, social origins, or caste.

In promoting localisation, we prioritise on recruiting local talent and suppliers, to foster sustainable socioeconomic benefits in the regions where we operate. Hiring locally, especially for managerial positions, allows us to leverage employee’s knowledge on local laws, regulations, and business practices.

In line with our commitment to fair employment practices, we adhere to the minimum wage standards in Malaysia and the People’s Republic of China, as outlined in our Human Rights Policy. We also aligns our employment practices with local labour laws on wages, working hours, and overtime, reinforcing our role as an ethical employer. For foreign talent, we uphold a policy of transparency and equity, explicitly prohibiting deposits, recruitment fees, or other charges, with terms clearly outlined in contracts, which are available in the candidates’ native languages as well as communicated directly or via agencies.

New hires are welcomed through a thorough onboarding process, featuring briefings on their legal rights and our policies such as Human Rights Policy and CoC, covering human rights, expected behaviours, and health and safety. To ease their transition, our Onboarding Buddy Programme pairs them with mentors during probation, fostering a smooth integration into our culture and operations.

## Empowering Our People and Enriching Our Communities

### Providing Competitive Remuneration & Benefits

To attract and retain talent, Press Metal offers competitive remuneration packages that include both financial and non-financial compensation. We are committed to the principle of equal pay for equal work, as endorsed by international treaties and national laws, and upholding our duty as a fair employer. For any overtime, employees are informed on the option, with transparent disclosure of applicable rates.

The benefits we provided our employees include:

Benefits	Details
Work + Life Integration	<ul style="list-style-type: none"> <li>• Healthcare</li> <li>• Volunteer opportunity</li> <li>• Recreational activities</li> <li>• Festive celebrations</li> <li>• Performance awards</li> <li>• Personal development (education, training and career development assistance)</li> <li>• Dental benefits</li> <li>• Optical benefits</li> </ul>
Insurance	<ul style="list-style-type: none"> <li>• Healthcare insurance</li> <li>• Personal accident insurance</li> </ul>
Leave	<ul style="list-style-type: none"> <li>• Examination and study leave</li> <li>• Parental leave</li> <li>• Compassionate leave</li> <li>• Religious leave</li> </ul>
Subsidy	<ul style="list-style-type: none"> <li>• Meal subsidy</li> <li>• Housing and utility subsidy</li> <li>• Transportation</li> <li>• Accommodation</li> </ul>

Performance bonuses and annual increments, determined by job performance and contributions, will be assessed in yearly appraisals, to incentivise excellence and reward dedication, supporting a culture of meritocracy.

### Adhering to Statutory Contributions

Press Metal contributes to employees' retirement accounts, meeting legal mandates in our operational regions. In Malaysia, a minimum of 12% of monthly income is allocated to statutory pension funds and all employees are enrolled in the Employment Insurance System and Social Security Organisation ("SOCSO"), maintaining compliance and security for their future.

### Upskilling Internal Capabilities

Training and development are a critical component of our talent strategy, in our effort to enhance job performance through building relevant skills and competences to promote career advancement. This commitment is outlined in our Human Rights Policy, Diversity Policy and Employee Handbook.

Board members and staff have access to a diverse range of programmes — spanning professional qualifications, technical skills, soft skills, leadership and human rights awareness — designed to meet their developmental needs. To ensure the relevance and effectiveness of our training initiatives, we tailor the training programmes and personalised training plans based on the in-house competency matrix and assessment during the annual appraisals.

## Empowering Our People and Enriching Our Communities

In formulating personalised training needs, we conduct training evaluations based on the following four (4) key criteria:

<p><b>1 Reaction</b> Participants' feedback to the training that is delivered</p>	<p><b>2 Knowledge</b> The learning skills and concepts taught</p>
<p><b>3 Behaviour</b> The extent to which employees may use the information acquired in their day-to-day work</p>	<p><b>4 Results</b> The outcome of the training in terms of measurable, performance-based results</p>

Following the completion of training programmes, we gather feedback through a dual-tier evaluation process designed to reflect both participant experiences and supervisory perspectives as part of our holistic and well-rounded assessment of the training effectiveness.

<p><b>Participant assessments</b></p> <p>Training Evaluation Feedback Form completed by employee upon the completion of the training</p>	<p><b>Supervisory evaluation</b></p> <p>A Post-Superior Evaluation Form is filled up by the employee's supervisor</p>
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### Building a Pipeline of Future Leaders

Launched in FYE2023, the Succession Planning Framework at the corporate level underpins our strategy to develop high potential and performing employees for leadership, with the right competencies, culture and compatibility.

At the core, the framework identifies three (3) strategic approaches to drive talent dynamism for future leadership:

- Competency-Based Evaluation & Mapping**

A competency framework tailored for job roles and grades, to facilitate assessment on skill gap and expectation on the employee's job, with collaborative action plans addressing development needs.

- Comprehensive Leadership Assessment & Development**

Utilise tools like SMOL® (Self-awareness, Motivation, Orientation, Leadership) and the Ace Team Effectiveness Index ("ATEI") to enhance leadership capabilities, focusing on team-building, delegation and role versatility.

The ATEI Assessment for Leadership Growth serves as a guide to strengthen leadership capabilities in team management. This tool focuses on:

<p><b>Building Diverse Teams</b></p> <p>Creating high-performing, inclusive teams by leveraging individual strengths and optimising collective capabilities.</p>	<p><b>Strength-Based Job Delegation</b></p> <p>Aligning responsibilities with each team member's core strengths to maximise productivity and morale.</p>
<p><b>Maximising Potential</b></p> <p>Ensuring all team members are fully utilised by aligning their roles with inherent abilities and strengths.</p>	<p><b>Role Development</b></p> <p>Preparing team members for secondary roles to foster versatility and drive optimal team performance.</p>

## Empowering Our People and Enriching Our Communities

### ▶ 3Re (Retention, Reward and Recognition) Total Compensation Strategy

Develop talent retention strategies and career advancement opportunities through offering competitive compensation package and employee recognition programme.

These strategies are supported by a systematic succession pathway – a blueprint that encompasses seven (7) key stages:

- |   |  |   |                                       |
|---|--|---|---------------------------------------|
| 1 | Critical Role Identification               | 5 | Talent Engagement & Mindset Readiness |
| 2 | Building Job Profiles & Role Clarification | 6 | Succession Pipeline Development       |
| 3 | Successor Identification & Assessment      | 7 | Evaluation & Improvement              |
| 4 | Successor Profile & Placement              |   |                                       |

Press Metal continues to invest in developing the next generation of leaders through the proprietary PICE® model. The PICE® Successor Development Framework is structured to cultivate adaptable leaders equipped with critical thinking skills to navigate the complexities of an evolving business landscape.

This framework is built on a learning approach that emphasises 70% on-the-job experience, 20% social interactions and 10% competency-based training. By combining practical exposure with targeted development initiatives, it provides future leaders with the necessary expertise and confidence to drive sustained business growth.

In addition to the PICE® model, we also adopted the ICEBERG model to support our succession planning. While PICE® focuses on visible competencies, ICEBERG aims to uncover the deeper attributes that influence an employee's potential for success. Through this model, it enables us to develop suitable job profiles for important roles, covering not just the qualifications and skills but also the ideal mindset, values, and alignment with our organisational ethos.

### Promoting Work-Life Balance

Work-life balance plays a vital role in employee satisfaction, productivity and retention, and we understand its importance in creating a motivated and committed team. To promote this, our Sports, Welfare, Recreational & Culture (“SWRC”) Committee at Sarawak organises regular activities and programmes to help employees unwind and connect. Similarly, other entities have established teams that focus on employee engagement initiatives. We encourage everyone to take part in these opportunities, which offer a practical way to relax, build social relationships, and team bonding. In addition, we host family-oriented events, welcoming employees' family members to join in, helping to build a stronger sense of community across the organisation.

At our corporation, we have introduced the Employee CARE model — Connect, Authentic Recognition, and Engage — to enhance engagements among our people. This approach aims to improve engagement at work, within teams and across the organisation as a whole, underlining our dedication to a supportive and inclusive workplace.

Beyond engagement activities, we support employee well-being through infrastructure improvements, such as the PMBtu township at Samalaju and on-site gym facilities at our offices, fostering a healthier and more balanced work environment.



## Empowering Our People and Enriching Our Communities

### Promoting Open and Transparent Communication

We are dedicated to minimising any potential adverse impact on our employees that may arise from organisational or operational changes. In the event of significant changes, we carry out detailed risk assessments and ensure relevant employees receive notice at least one (1) month prior. This approach provides the team with clarity and time they need to adjust.

We also recognise the importance of ensuring that employees feel valued and have access to channels for expressing concerns or providing feedback regarding their employment. In facilitating this, we have established direct communication between employees and their elected worker representatives, enabling them to voice any concerns. In line with our CoC, employees are encouraged to raise such concerns without fear of reprisal, fostering a culture of openness and collaboration.

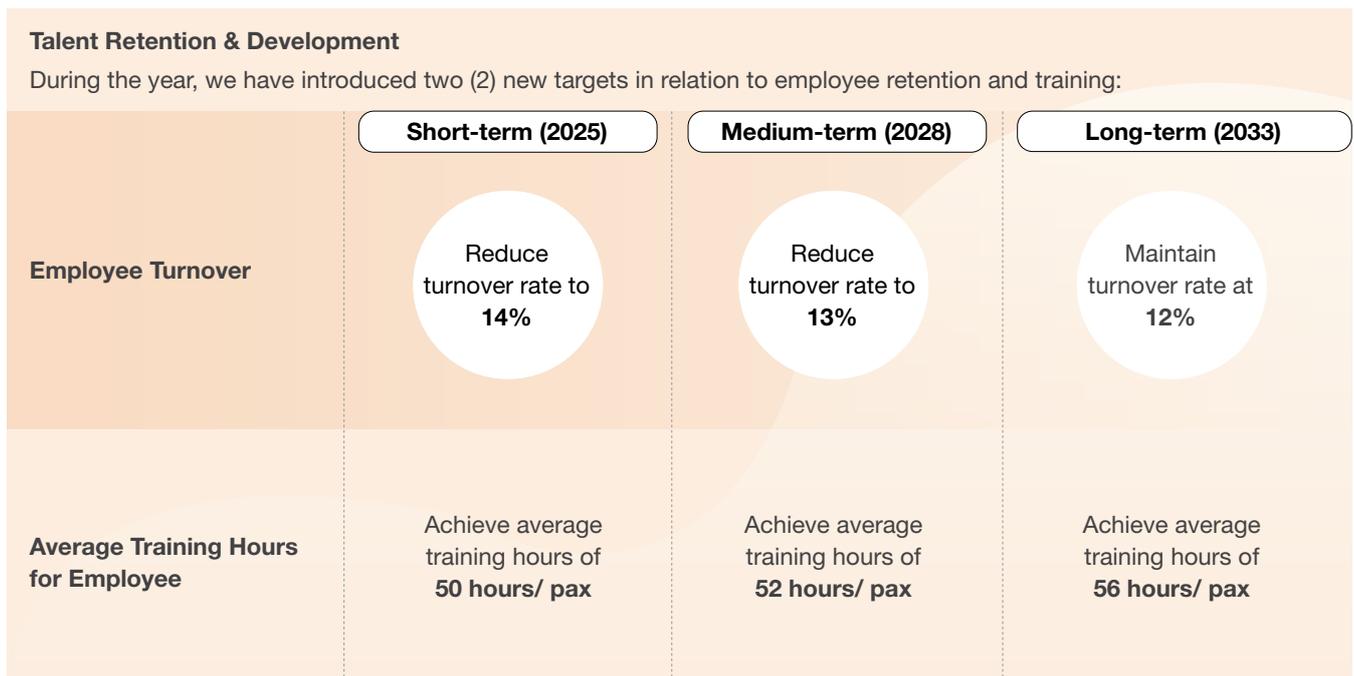
Further, we maintain transparent communication with employees through various channels, including town halls and employee representative meetings, organised by the HR Department. These platforms allow employees to share their input on workplace issues. In our Sarawak operations, monthly employee representative meetings are held, where all employee representatives, including foreign staff, are invited. During these sessions, any concerns raised are promptly addressed by the Management Representative, supporting our ongoing commitment to creating a supportive and inclusive work environment for all.

### Maintaining Fair Labour Relations

In our Sarawak operations, we have established the Employee and Industrial Relations SOP that provides clear and actionable guidance on employer-employee relations. This robust framework addresses critical aspects such as fostering employee engagement and open dialogue, embedding practices that safeguard the rights of both employers and employees — including the fundamental right to freedom of association — and ensuring that employment services and termination procedures are both legally compliant and ethically principled.

Within the SOP, clear guidance on disciplinary offences and instances of misconduct was delineated, alongside the corresponding actions that may be taken should an employee breach company policies. In upholding fairness, all disciplinary measures undergo scrutiny by an elected Board of Appeal, akin to a Board of Domestic Inquiry. This Board of Appeal reviews each decision, ensuring that equity and due process prevail in every case.

We gauge employee satisfaction through periodic engagement surveys that cover areas such as working conditions, benefits and compensation, learning and development opportunities, leadership and other concerns. The insights gained from these surveys enable us to refine our processes and programmes, in meeting the employee needs and expectations. This iterative approach promotes engagement, supporting our commitment to our shared success.



## Empowering Our People and Enriching Our Communities

### OUR VALUE CREATION



#### Talent Development

In FYE2024, we continued to improve our learning and development programmes, embraced digital solutions and online learning platforms to deliver impactful and readily accessible training opportunities. This strategic enhancement equipped our workforce with the skills and knowledge needed to excel in a dynamic environment, and their professional growth.

Initiatives	Description
<p><b>Press Metal E-Learning Platform</b></p>	<p>In FYE2024, Press Metal E-Learning expanded its offerings to support upskilling and reskilling initiatives, to address behavioural competency gaps identified through the 2023 Skill Gap and Learning Needs Analysis. The newly introduced modules include:</p> <ul style="list-style-type: none"> <li>• Growth Mindset</li> <li>• Time Management</li> <li>• Interpersonal Communication Excellence</li> <li>• Business Communication &amp; Negotiation</li> <li>• Peak Performance</li> <li>• Coaching Skills</li> <li>• Email Etiquette &amp; Writing Skills</li> </ul> <p>These modules were designed to enhance workplace competencies, bridge behavioural gaps, and promote both professional and personal growth. Further modules will continue to be developed to meet the evolving needs of the organisation and its employees.</p> <p>The platform also included tools such as the Collaborative Learning Hub, which facilitated knowledge sharing, and the E-Onboarding Programme, ensure that new employees experience a comprehensive and seamless onboarding process.</p>
<p><b>Training Development Management System (“TDMS”)</b></p>	<p>In 2024, TDMS was enhanced to improve accessibility and efficiency. Through the TDMS, employees may request training sessions, access their personalised training calendars and histories, and submit training evaluations directly through the system. Supervisors were able to track and evaluate employees’ training progress within the platform.</p> <p>These enhancements were designed to improve the efficiency, accessibility, and overall quality of the training experience for all employees.</p>
<p><b>C-Pace Leadership</b></p>	<p>C-PACE Team Effectiveness Programme was introduced to enhance leadership capabilities:</p> <ul style="list-style-type: none"> <li>• Coaching (C): Empowering future leaders through strategic coaching practices using the GROW model and provides practical techniques and methods to support successor career development and track progress.</li> <li>• Pacesetting (PACE): Developing pacesetting leadership skills using the RISE framework to drive continuous improvement by raising expectations, impacting results, sharing feedback, and embracing innovation.</li> </ul> <p>A key feature of the programme includes:</p> <ul style="list-style-type: none"> <li>• <b>Team Dynamics:</b> Equipping leaders with the Tuckman Model to understand the stages of team development (forming, storming, norming, performing, adjourning).</li> <li>• <b>ATEI Team Effectiveness:</b> Utilising the ATEI to assess team composition, conduct gap analyses and develop members for secondary roles, ultimately enhancing team versatility and performance.</li> </ul> <p>This initiative fosters leadership excellence by providing leaders with the tools and techniques necessary to strengthen team effectiveness, optimise performance, and support organisational growth.</p>

## Empowering Our People and Enriching Our Communities

### Career Development Programme

To cultivate leadership and harness the potential within our workforce, we established a 12-month Career Development Programme tailored for high-potential employees. This merit-based initiative identified and enrolled talents, which equipped them with the skills, insights, and opportunities needed to excel in roles. Upon successful completion, participants were given the opportunity to take up positions for greater responsibility.

Programme	Purpose of Improvement
Leadership Tea Talk	A series of discussions, workshops and informal drop-ins provided for employees at the executive and managerial levels to gain valuable insights from our most senior leaders
Engineer Development Programme	A purpose-fit programme to develop qualified engineers
Executive Development Programme	A purpose-fit programme to develop the skills and competencies required of executive-level employees
Supervisory Development Programme	A programme that refines the analytical and problem-solving skills of supervisory-level employees, empowering them to become more effective in managing operational teams
Development Programme for Emerging Professionals	Upcoming programme in 2025 designed to equip newly joined Executives and Engineers

In 2024, 102 employees completed the programmes and advanced into key roles across our operations.

### Talent Recruitment

We approach our talents through career fairs and industry events to widen our talent pool and to prioritise the local community in building a cohesive workplace. In FYE2024, we pursued this with some of the events below:

Initiatives	Description
Youth Development Programme	<p>We offered employment opportunities to unemployed and underprivileged youths, through the following programmes offered:</p> <ul style="list-style-type: none"> <li><b>Fresh Graduate Programme (Aluminium Smelting):</b> A one (1) - year initiative designed to cultivate talent for roles in aluminium smelting.</li> <li><b>Apprenticeship/ Internship Programme:</b> An internship programme established by Press Metal Group to provide practical experience to aspiring professionals.</li> <li><b>PENJANA Programme:</b> A training programme for polytechnic graduates, equipping them with the skills necessary to become process controllers.</li> <li><b>Student Adoption Programme:</b> A programme that offers financial support for the educational needs of students.</li> </ul>

## Empowering Our People and Enriching Our Communities

Initiatives	Description
<p><b>Collaboration with Educational Institutions</b></p>	<p>Press Metal has partnered with universities and educational institutions to advance human capital development, research, innovation and community engagement.</p> <p>We worked closely with universities to facilitate research in key areas such as:</p> <ul style="list-style-type: none"> <li>• <b>Sustainable Construction Materials:</b> Investigating the use of aluminium industry residue in construction applications.</li> <li>• <b>Energy Efficiency &amp; Carbon Footprint:</b> Optimising energy use in aluminium production to reduce environmental impact.</li> <li>• <b>Wastewater Treatment:</b> Enhancing evaporation methods to improve water efficiency.</li> <li>• <b>Production efficiency:</b> Advancing defect detection in metallurgical industry.</li> </ul> <p>In addition, PMB Aluminium organised sharing sessions with students, on the topic of aluminium alloys, manufacturing processes and sustainability.</p> <p>The Group also introduced internship, scholarship and employment opportunities to nurture future talent. Beyond financial sponsorship, Press Metal also offers logistical and technical support, including accommodation, transportation, and equipment setup, to ensure a well-equipped and conducive environment for successful research. In addition, PMBtu, PMI and PMIT hosted academic visits to provide students with industry exposure and promote knowledge exchange.</p> <p>Press Metal also signed MoUs with several institutions that benefit our employees including their children with discounted tuition fees and rebates.</p>
<p><b>Local Recruitment</b></p>	<p>In FYE2024, our Sarawak operations organised recruitment sessions in collaboration with the Labour Department and SOCSO Sarawak (“PERKESO”) to promote local employment.</p> <p>Additionally, we broadened our outreach by engaging with local universities, educational institutions, and secondary schools through participation in career talks.</p>

### Recruitment Optimisation

To streamline the hiring process, we have introduced the Smart Hire Savings initiative, designed to optimise hiring costs by reducing reliance on recruitment agencies and leveraging various platforms and HR initiatives for talent acquisition. This strategic initiative focused on the following key steps:



The Employee Referral Programme enabled our current workforce to recommend qualified candidates for vacant roles within the organisation. This initiative was structured to attract high-calibre individuals and to streamline the hiring process and reduce associated costs. It leveraged the employee’s understanding of culture and requirements, which aided in finding referrals that fit technically and culturally.

## Empowering Our People and Enriching Our Communities

### Employee Engagement

Through our annual employee engagement survey, several entities highlighted concerns relating to workplace practices, including corporate culture, career development programmes, and infrastructure. In response, we implemented targeted action plans to enhance the employee experience, improve engagement, and boost morale. This includes the following:

Initiatives	Description
<b>Workplace Transformation and Modernisation</b>	Upgraded our training and office spaces to enhance the overall work environment. Training facilities were improved with advanced technology to support seamless learning and development, while office spaces, including workstations, common areas and amenities, were modernised to foster comfort, collaboration and efficiency.
<b>Employee Wellness Enhancements</b>	Upgraded the gym and yoga room with enhanced facilities. Complementing these efforts, we introduced wellness programmes aimed at fostering a healthy work-life balance.
<b>Wellness Awareness Week</b>	Hosted a Wellness Awareness Week campaign with a range of activities focused on health and well-being. The campaign featured various sessions, including shoulder massages, emotional assessments, healthy cooking classes, traditional Chinese medicine consultations, gym equipment workshop, stress management workshop and an eye health workshop.
<b>Knowledge Corner Initiative</b>	Launched the Knowledge Corner that offers business books to foster learning and professional growth. It aims to bridge competency gaps, encourage self-development and spark innovation through shared knowledge.

### Enhancement of Workers' Accommodation Facilities

PMBtu embarked on a township development project at Samalaju Industrial Park, Bintulu, designed to enhance the living conditions of our employees. Spanning 72.2 acres, this initiative adhered fully to the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446).

The development was carefully planned in phases to deliver both immediate benefits and long-term value. The initial stage focused on constructing basic amenities such as shop lots and accommodation and convenience stores to meet workers' daily needs. Future phases will introduce additional residential units alongside facilities such as a clubhouse, sports areas, landscaped gardens and recreational spaces.

A notable feature of this project is the allocation of 10% of the township as green space, which promotes sustainability and fosters an environment conducive to health and relaxation. Through engagement with regional contractors and sourcing materials locally, the project also stimulates economic activity, creates jobs for the surrounding community.

In addition, Press Metal signed an MoU for a long-term rental agreement at a centralised labour quarters in Klang Sentral, Selangor. Set to commence construction in 2025 and reach completion by 2026, this development addresses housing needs and enhances worker welfare.

Together, these initiatives exemplify Press Metal's resolute commitment to cultivating a balanced work-life culture, prioritising employee well-being and contributing to local communities through infrastructure improvements, employment opportunities and support for regional businesses.

## Empowering Our People and Enriching Our Communities

### HOW WE PERFORMED IN 2024



#### Employees by Permanent or Temporary Positions

Employees by Positions	2022		2023		2024	
	Permanent	Temporary/Contract	Permanent	Temporary/Contract	Permanent	Temporary/Contract
	85.4%	14.6%	83.5%	16.5%	66.7%	33.3%

#### Notes:

- FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
- FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.
- The fluctuation in temporary and contract staff figures for FYE2024 was due to a revised methodology aligned with the definition outlined in the Bursa Malaysia Sustainability Reporting Guide (3<sup>rd</sup> Edition).

#### New Hire Rate

Our new hire rate decreased by 8.9% compared to FYE2023.



#### New Hire by Age Group

Age Group	2022		2023		2024	
	Numbers	%	Numbers	%	Numbers	%
<30 Years Old	1,073	64.3	774	65.2	352	56.0
30-50 Years Old	413	24.8	406	34.2	271	43.2
Above 50 Years Old	182	10.9	7	0.6	5	0.8

#### New Hire by Gender

Gender	2022		2023		2024	
	Numbers	%	Numbers	%	Numbers	%
Male	1,437	86.2	1,017	85.7	484	77.1
Female	231	13.8	170	14.3	144	22.9

#### New Hire by Region

Region	2022	2023	2024
Malaysia	1,197	912	291
China	471	275	337

#### Notes:

- FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
- FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

#### Senior Management Hired Locally

Region	2022		2023		2024	
	Numbers	%	Numbers	%	Numbers	%
Local	38	88.4	39	88.6	42	84.0
Foreign	5	11.6	5	11.4	8	16.0

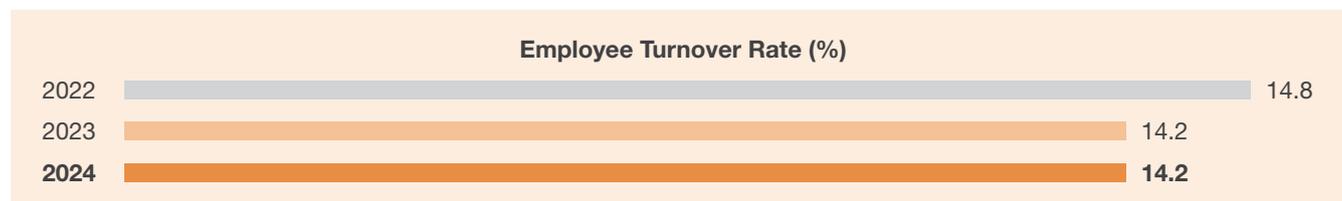
#### Notes:

- FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
- FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

## Empowering Our People and Enriching Our Communities

### Employee Turnover Rate

In FYE2024, our employee turnover rate remains unchanged at 14.2% when compared to FYE2023. We are committed to employee retention through competitive compensation and benefits, career development opportunities, and initiatives that promote work-life balance.



### Employee Turnover by Age Group

Age Group	2022		2023		2024	
	Numbers	%	Numbers	%	Numbers	%
<30 Years Old	625	64.6	637	61.7	537	54.0
30-50 Years Old	308	31.8	355	34.4	428	43.1
Above 50 Years Old	35	3.6	40	3.9	29	2.9

### Employee Turnover by Gender

Gender	2022		2023		2024	
	Numbers	%	Numbers	%	Numbers	%
Male	819	84.6	879	85.2	783	78.8
Female	149	15.4	153	14.8	211	21.2

### Employee Turnover by Region

Region	2022	2023	2024
Malaysia	651	725	606
China	317	307	388

#### Notes:

- FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
- FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### Employee Turnover by Employee Category

Employee Category	2022		2023		2024	
	Numbers	%	Numbers	%	Numbers	%
Senior Management	2	0.1	5	0.5	3	0.4
Management	8	0.5	11	1.2	13	1.8
Executive	135	9.2	96	10.2	101	14.1
Non-Executive	1,329	90.2	826	88.1	601	83.7
<b>Total</b>	<b>1,474</b>		<b>938</b>		<b>718</b>	

#### Note:

FYE2022 - FYE2024: Aggregated data from our corporate headquarters (PMAH) and midstream (PMBtu, PMS, and PMAR) facilities.

## Empowering Our People and Enriching Our Communities

### Average Training Received by Employee

In FYE2024, we invested more than RM2 million in training programmes for our employees, recorded a total of 378,457.8 training hours across the Group. This equated to an average of 50.5 training hours per employee.

2022		2023		2024	
Average Training Days	Average Training Hours	Average Training Days	Average Training Hours	Average Training Days	Average Training Hours
6.2	49.2	5.9	46.8	6.3	50.5

### Average Training Hours Spent by Employee Category

Employee Category	Average Training Hours		
	2022	2023	2024
Senior Management	14.7	32.9	28.4
Management	17.5	43.0	41.9
Executive	46.7	56.4	51.1
Non-Executive	50.6	45.7	50.8

### Average Training Hours per Employee by Gender

Gender	Average Training Hours		
	2022	2023	2024
Male	52.7	48.9	52.7
Female	27.0	33.4	35.4

### Total Hours of Training by Employee Category

Employee Category	Total Training Hours		
	2022	2023	2024
Senior Management	471	1,086	1,421
Management	3,038	7,608	7,626
Executive	37,865	47,800	44,969
Non-Executive	317,926	286,352	324,439

### Types of Training Provided in 2024

Training Type	Average Hours Spent	% of Total Hours Spent
Technical Skills	4.6	53.5
Behavioral Skills	3.5	3.5
Compliance	2.6	27.4
Others	1.6	15.6

#### Notes:

- FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
- FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

## Empowering Our People and Enriching Our Communities

### Career Development Programme

In line with our commitment to providing employees with opportunities to enhance their skills and expand their professional network, our workforce collectively completed 394 hours in learning under career development programmes during FYE2024.

Career Development Programme	Number of Training	Training Hours
Leadership Tea Talk	7	394.0

### Youth Development Programme

In FYE2024, we offered 33 internships and 40 management trainee opportunities, while successfully retained nine (9) interns.

Internship & Management Trainee Programmes	2024
Number of Internships Provided	33
Number of Interns Retained	9
Number of Management Trainees	40

Note:

1. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### Performance Appraisal

In FYE2024, 89.1% of employees across the Group underwent the annual performance appraisal and received personalised training to enhance their skills and knowledge. This process remained a key component of our talent development strategy by receiving constructive feedback and opportunities for growth from our employees.

#### Employee Receiving Performance Appraisal by Gender

Gender	2022	2023	2024
Male	93.8%	98.3%	92.8%
Female	81.8%	91.7%	79.6%

Notes:

1. FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.

2. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### Promoting Employee Wellbeing

In FYE2024, we invested over RM1.7 million in recreational activities, with the aim of improving employee wellbeing.

SWRC Category	Events Organised in 2024	Number of Participants
Sports	21	2,289
Welfare	35	7,465
Recreational	7	3,196
Culture	27	13,087

Note:

Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### Employee Engagement

In FYE2024, 2,354 employees participated in our employee engagement survey, with 77.2% positive ratings given.

## Empowering Our People and Enriching Our Communities

### Parental Leave

In FYE2024, 270 employees took parental leave, including 217 males and 53 females. Notably, 99.5% of male employees and 90.6% of female employees returned to work following the conclusion of their parental leave.

Parental Leave by Gender						
Employee Category	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Total number of employees entitled to parental leave	2,688	463	2,830	446	3,276	631
Total number of employees who took parental leave	131	45	227	66	217	53
Total number of employees that returned to work in the reporting period after parental leave	130	39	226	55	216	48
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	115	28	194	51	192	29
Return to work rate (%)	99.2	86.7	99.6	83.3	99.5	90.6
Retention rate (%)	88.5	71.8	85.8	92.7	88.9	60.4

#### Notes:

1. FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

### GOING FORWARD

Press Metal will focus on developing a leadership pipeline that integrates technical expertise with values-based competencies. Our approach, guided by the Competency Framework, is deliberate and forward-thinking, aimed at cultivating leaders who reflect the ethical and cultural principles that define our identity. Knowledge transfer will be strengthened across entities, leveraging collective expertise while promoting a sustainability-driven culture through internal communication platforms.

A key aspect of this vision is the refinement of the Human Capital Development Master Plan, which will target following core pillars: talent acquisition, competency development, rewards and retention, succession planning and the establishment of a strong organisational culture. These initiatives will provide competitive opportunities that inspire and motivate employees, nurturing a sense of purpose and professional growth.

# Empowering Our People and Enriching Our Communities

## COMMUNITY MANAGEMENT

GRI 2-16, GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-25, GRI 2-26, GRI 2-29, GRI 3-3, GRI 203-1, GRI 203-2, GRI 406-1, GRI 413-1, GRI 413-2

M18

### Capitals



### SDGs



### WHY IT MATTERS



Investing in local communities is essential by uplifting livelihoods and enriching the quality of life in surrounding regions. This focus not only sparks growth but also fortifies community resilience, creating a robust foundation that supports societal stability.

A coordinated approach to community engagement allows for more effective allocation of resources, with efforts directed towards delivering outcomes that are both measurable and enduring. Investment in education and skills development play vital roles in building local capital, which serve as conduits to building future nations. Such effort creates opportunities for individuals while providing a future talent pool poised to drive industrial innovation and growth. This, in turn, reinforces Press Metal's reputation as a responsible and purpose-driven organisation.

Such investments extend beyond immediate benefits, resonating with broader socioeconomic aspirations that shape regional and national progress.

### OUR APPROACH

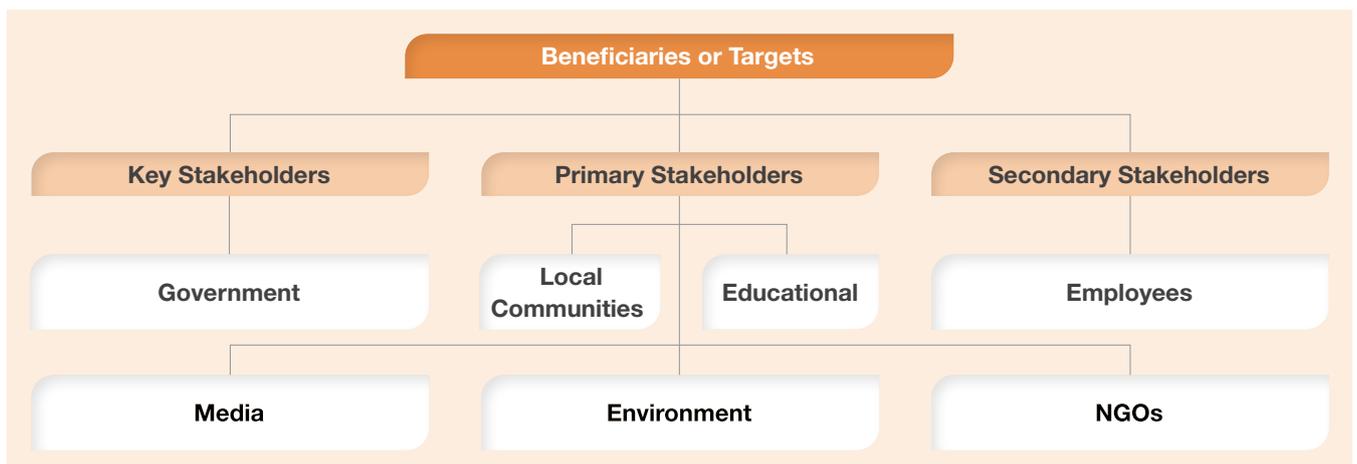


Community development lies at the core of engagement strategies, focusing on efforts to enhance infrastructure, supporting sustainable progress, driving economic growth, and upholding environmental stewardship. By investing in these areas, we are able to lay the groundwork for a sustainable future of prosperity and resilience where tangible, long-lasting benefits are generated for communities in which we operate.

### A Commitment to Meaningful Community Engagement

Prior to establishing manufacturing facilities, a stakeholder identification process is undertaken as an integral component of the EIA. This process engages surrounding communities through consultation, gathering insights and fostering open dialogue to discern their needs. Through this approach, our efforts may translate into a positive and meaningful impact, benefitting the lives of those within the regions we serve and beyond regulatory obligations.

A structured framework has been instituted, classifying communities into three (3) distinct categories: key stakeholders, primary stakeholders, and secondary stakeholders. This segmentation enables a more targeted analysis of community concerns, ensuring that responses are tailored to address specific concerns with relevance and impact.



## Empowering Our People and Enriching Our Communities

Building robust partnerships with these stakeholders is pivotal in advancing sustainable development initiatives that benefit the wider community. By delving into local perspectives, we are able to devise targeted action plans that tackle key issues effectively.

### Managing Community Relations

The Local Community Communication SOP provides guidance for engagement, delineating criteria for communication across diverse community segments and guiding CSR initiatives with clarity and purpose. This ensures that our efforts are effectively aligned to local needs. On a broader scale, the Communications & Public Relations Department (“CPRD”) facilitates interactions with key stakeholders, addressing a spectrum of concerns — economic, social, cultural, environmental, safety, and health — while overseeing emergency risk communications with diligence and foresight.

Our commitment to local communities is reflected in the Human Rights Policy, which acknowledges the diversity of both the workforce and the wider community. By respecting differences in customs, cultures, and values, we foster an inclusive society that builds mutual respect. In Sarawak, an induction programme provided to our employees equips our ethnically diverse workforce with the knowledge to understand and respect local traditions, embedding inclusivity into everyday interactions.

### Promoting Community Development

The Communication & Public Relations (“CPR”) Management System structured around five (5) pillars — socioeconomics, health and safety, education, the environment, and sports — each underpinned by defined categories that serve as guiding principles. This strategic framework enables a comprehensive and adaptable approach to community development in our effort to deliver impacts while addressing the multifaceted needs of the communities we serve.

Pillars	Guiding Principle/ CSR Category	Expected Outcomes
<b>Socioeconomics</b>	<ul style="list-style-type: none"> <li>Economics</li> <li>Social Change</li> <li>Work/ Policy</li> <li>Development</li> </ul>	Enhanced economic growth and elevated quality of life for local communities.
<b>Health &amp; Safety</b>	<ul style="list-style-type: none"> <li>Physical Health</li> <li>Safety &amp; Security</li> <li>Development</li> <li>Sponsorship</li> </ul>	Improved health awareness and securing trust in the safety of our operations among local residents.
<b>Education</b>	<ul style="list-style-type: none"> <li>Development</li> <li>Sponsorship</li> </ul>	Elevated educational quality and built a pipeline of skilled talent for future growth.
<b>Environment</b>	<ul style="list-style-type: none"> <li>Environment</li> <li>Development</li> <li>Sponsorship</li> </ul>	Sustained environmentally conscious operations and secure community confidence in our operations.
<b>Sports</b>	<ul style="list-style-type: none"> <li>Development</li> <li>Sponsorship</li> </ul>	Cultivate sports talent and community achievements

### Establishing Community Grievance Mechanism

The Local Community Grievance Management SOP establishes a transparent and unbiased grievance platform for local communities to voice concerns – encompassing socioeconomic, environmental, health and safety, developmental and educational matters – and handling their concerns fairly and efficiently. Dedicated CPR personnel have been appointed to address and manage community concerns.

In building a stronger relationship, the Community Grievance Committee has been established to oversee the platform for local communities in voicing their concerns. The committee facilitates regular open dialogues between our facilities with the community representative in our effort to be more proactive in meeting the community needs.

## Empowering Our People and Enriching Our Communities

### OUR VALUE CREATION



As a responsible corporate citizen, Press Metal had initiated community-focused initiatives designed to support various aspects of societal development. Through monetary and in-kind contributions, our efforts were channelled toward enhancing the quality of life and laid the foundation for sustainable prosperity of our surrounding communities.

#### Community-Oriented Programmes and Charitable Contributions

Our dedication to uplifting local communities manifested through an array of charitable contributions and structured CSR programmes. These endeavours reinforced our role as a socially responsible organisation that considered societal well-being.

#### Health

We supported the local health sector through financial aid and resource contributions, aimed to effect improvements in community health. In FYE2024, we contributed to numerous initiatives and contributions, with some activities listed below:

Category	Key Contributions
<b>Blood Donation Drives</b>	<ul style="list-style-type: none"> <li>Organised campaigns which collected a total of 14,000 ml of blood.</li> </ul>
<b>Healthcare Support</b>	<ul style="list-style-type: none"> <li>Donated RM500,000 in medical equipment to the Sarawak Heart Foundation.</li> </ul>
<b>Marathon &amp; Fun Runs</b>	<ul style="list-style-type: none"> <li>Sponsored events like the Smile Fun Run, Colorectal Cancer Awareness Run, and UTS Fun Run to promote physical and mental health awareness.</li> </ul>
<b>Wellness Campaign</b>	<ul style="list-style-type: none"> <li>Invested RM40,000 in the PMBA Wellness Campaign, offering health talks, CPR workshops, and free screenings in celebration of World Mental Health Day and Breast Cancer Awareness Month.</li> </ul>



Blood Donation Drive



PMBA Wellness Campaign



Colorectal Cancer Awareness Run



Lets Smile Fun Run

## Empowering Our People and Enriching Our Communities

### Social & Culture

We supported community aids through contributions over RM3 million in FYE2024, with some activities listed below:

Category	Key Contributions
<b>Aid to Victims</b>	<ul style="list-style-type: none"> <li>Contributed RM2 million to the National Disaster Relief Fund.</li> <li>Contributed RM19,000 for typhoon “Mokha” disaster relief donation.</li> </ul>
<b>Supporting Communities</b>	<ul style="list-style-type: none"> <li>Assisted elderly and single mothers with essential supplies and activities.</li> <li>Sponsored festive and traditional events.</li> <li>Provided personal accident insurance to 1,000 individuals classified under B40 income category.</li> <li>Donation of mosquito repellent to support dengue prevention efforts in the Le Ping Community.</li> </ul>
<b>Promoting Local Culture</b>	<ul style="list-style-type: none"> <li>Sponsored Pesta Kaul &amp; Regatta Mukah.</li> <li>Sponsored Bintulu International Kite Festival.</li> <li>Ngiling Tikai Celebration in conjunction with Gawai Dayak 2024.</li> </ul>



Personal Accident Insurance for B40 Category



Old Folks Home Visitation



Ngiling Tikai Celebration

## Empowering Our People and Enriching Our Communities

### Education

Recognising education as a catalyst for socioeconomic advancement, we contributed over RM2 million, with some efforts listed below:

Category	Key Contributions
<b>Back to School Campaign</b>	<ul style="list-style-type: none"> <li>Donated 200 pairs of shoes and socks to students of B40 families in SK Batu Belah Klang &amp; SK Binjal Klang.</li> <li>Donated 400 pairs of shoes and tracksuits to students in SK Tok Muda &amp; SK Kapar.</li> </ul>
<b>Sponsorship of Equipment</b>	<ul style="list-style-type: none"> <li>Sponsored teacher's and classroom equipment for SK Kuala Nyalau.</li> <li>Supported New Era University College and Kwang Hua Private School's infrastructure projects.</li> <li>Organised a Book Donation Drive for underprivileged children.</li> </ul>
<b>Major Sponsorships</b>	<ul style="list-style-type: none"> <li>Contributed RM1 million each to Sarawak Unity Education Fund ("SUEF") and MyKasih Foundation to support tertiary education.</li> </ul>
<b>Student Aid and Recognition</b>	<ul style="list-style-type: none"> <li>Super Sarapan Programme which provided daily meals for 90 students from SK Merbau and SMK Lutong for seven (7) months.</li> <li>Provided tuition and financial aid to students in need.</li> <li>Sponsored multiple student excellence awards to recognise top SPM/ STPM achievers.</li> </ul>



Back to School Campaign



Book and School Bag Donation Drive



SUEF Donation



SPM & STPM Awards

## Empowering Our People and Enriching Our Communities

### Sports

We actively support the sports industry by sponsoring local sports activities and encouraging employee participation in sports to promote a healthy, active lifestyle within local communities. In FYE2024, over RM1.4 million was contributed towards diverse sports initiatives, such as:

Category	Key Contributions
<b>Football Sponsorship</b>	<ul style="list-style-type: none"> <li>Contributed RM1 million for Kuching City Football Club (“KCFC”).</li> <li>Contributed RM28,000 for Phase-2 Football Clinic with Football Association Sarawak, benefitting 23 students and 5 teachers.</li> <li>Organised football matches, including Bintulu District Police HQ participation in Persatuan Bola Sepak Bintulu 2024 and SMK Sebauh’s Under-15 football team participation in MSS Bintulu 2024.</li> <li>Sponsored football bleachers for Padang Mesra MDMM Mukah.</li> </ul>
<b>Badminton Sponsorship</b>	<ul style="list-style-type: none"> <li>Sponsored the 2024 Le Ping Union Cup, IPD Bintulu Kejohanan Piala PJP and C&amp;L (Kemena) Sport Centre Badminton Tournament.</li> </ul>
<b>Netball &amp; Handball Support</b>	<ul style="list-style-type: none"> <li>Sponsored SK Kuala Nyalau’s participation in MSS Bintulu 2024.</li> <li>Provided training kits for Pasukan Bola Jaring MSS PPD Padawan at the National Level Tournament.</li> </ul>



Contribution for KCFC



2024 Le Ping Union Cup



PMS Football Match

## Empowering Our People and Enriching Our Communities

### Environment

Playing our part in fostering a positive environmental impact within local communities, we have initiated projects such as:

Category	Key Contributions
<b>SEE Foundation Donation</b>	<ul style="list-style-type: none"> <li>Contributed funds to the SEE Foundation for environmental protection projects.</li> <li>Contributed funds to the Guangdong Zhushui Yunshan Nature Conservation Foundation.</li> </ul>
<b>Tree Planting Initiatives</b>	<ul style="list-style-type: none"> <li>Partnered with Sanshui Aluminium Association for a tree planting activity.</li> <li>Organised 1 Ras 1 Pokok Tree Planting Programme with government agencies and schools to promote conservation.</li> <li>Funded tree planting initiatives in Foshan to enhance urban greenery.</li> </ul>
<b>E-Waste Recycling</b>	<ul style="list-style-type: none"> <li>Collected 460 kg of e-waste.</li> </ul>
<b>Environmental Education</b>	<ul style="list-style-type: none"> <li>Hosted the CAKNA Environment Carnival for primary school students in Mukah to raise awareness on solid waste management.</li> </ul>



1 Ras 1 Pokok Tree Planting Programme



E-Waste Recycling Programme

### PROMOTING VOLUNTEERISM

Press Metal encourages volunteerism by establishing platforms within our entities, encouraging employees to participate in community activities that forge meaningful connections and enhance job satisfaction. In FYE2024, our workforce contributed to efforts such as gotong-royong cleanups, blood donation drives and visits to elderly homes. This culture of service not only strengthened community ties but also enriched our employees' sense of purpose, creating a ripple effect of positive engagement.

## Empowering Our People and Enriching Our Communities

### HOW WE PERFORMED IN 2024



#### Our Contributions To The Local Communities

Key Performance Indicator	2022	2023	2024
Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM6.2 mil	RM6.3 mil	<b>RM7.8 mil</b>
Total number of beneficiaries of the investment in communities	390	462	<b>1,903</b>
Number of CSR events organised	137	141	<b>133</b>

Notes:

1. FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.
3. Data for Total number of beneficiaries of the investment in communities have been restated for FYE2022 and FYE2023 to align with the definition of target beneficiaries for community investments, as outlined in the Bursa Malaysia Sustainability Reporting Guide (3<sup>rd</sup> Edition) and GRI standards.

#### Volunteerism

Key Performance Indicator	2022	2023	2024
Number of Participating Employees	1,674	1,075	<b>925</b>
Total Volunteer Hours	3,407	7,771	<b>2,901</b>

Notes:

1. FYE2022 and FYE2023: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities.
2. FYE2024: Aggregated data from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, PMBA Klang, PMBA Nilai 1, and PMBA Nilai 2) facilities.

#### GOING FORWARD

Press Metal endeavours dynamic partnerships to co-create sustainable solutions in meeting the evolving needs of the communities we serve. With collaboration, we not only extend our reach to the wider community but also create meaningful progress in delivering outcomes that resonate sustainably.

As we advance, we will deploy resources with strategic intent and engage stakeholders proactively to support community empowerment and sustainable development. Our efforts focus on advancing welfare programmes that provide essential support, and infrastructure projects that drive long-term societal advancement. These initiatives reflect our dedication to fostering resilience and prosperity of our communities, ensuring that our contributions deliver lasting values to the communities that we serve.

# INDEPENDENT LIMITED ASSURANCE REPORT



**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
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The Board of Directors  
**Press Metal Aluminium Holdings Berhad**  
Suite 61 & 62, Setia Avenue,  
No.2, Jalan Setia Prima S U13/S,  
Setia Alam, Seksyen U13,  
40170 Shah Alam,  
Selangor Darul Ehsan

**Independent Practitioners' Limited Assurance Report on Press Metal Aluminium Holdings Berhad's (the "Company") Selected Sustainability Indicators for the financial year ended 31 December 2024 ("FYE 2024") presented in its Integrated Annual Report for the financial year ended 31 December 2024 ("Integrated Annual Report 2024")**

## Conclusion

We have performed a limited assurance engagement on whether the Company's selected sustainability indicators for the financial year ended 31 December 2024 listed below ("Selected Sustainability Indicators") have been prepared in accordance with the Company's definition and calculation methodologies as set out in the Company's Integrated Annual Report 2024 and/or where relevant, the Bursa Malaysia Securities Berhad Listing Requirements ("Applicable Criteria"):

No.	Selected Sustainability Indicators	Boundary
1	Percentage of directors by gender and age group (%)	Press Metal Aluminium Holdings Berhad
2	Percentage of operation assessed for corruption-related risks (%)	Press Metal Aluminium Holdings Berhad
3	Confirmed incidents of corruption and action taken (No.)	<b>Midstream:</b> Press Metal Bintulu Sdn. Bhd. Press Metal Sarawak Sdn. Bhd.
4	No. of work-related fatalities (No.)	Press Metal Aluminium Rods Sdn. Bhd.
5	Lost time incident rate (rate)	<b>Downstream:</b>
6	No. of substantiated complaints concerning human rights violations (No.)	Press Metal International Limited (China) Press Metal International Technology Ltd. (China) PMB Aluminium Sdn. Bhd. (Klang, Nilai 1 and Nilai 2)
7	Total energy consumption (million gigajoules)	<b>Midstream:</b>
8	No. of substantiated complaints concerning breaches of customer privacy and losses of customer data (No.)	Press Metal Bintulu Sdn. Bhd. Press Metal Sarawak Sdn. Bhd. Press Metal Aluminium Rods Sdn. Bhd.
9	Scope 1 Greenhouse Gas ("GHG") emissions (kilotonnes of CO <sub>2</sub> e)	<b>Downstream:</b> Press Metal International Limited (China) Press Metal International Technology Ltd. (China)
10	Scope 2 Greenhouse Gas ("GHG") emissions (kilotonnes of CO <sub>2</sub> e)	PMB Aluminium Sdn. Bhd. (Klang, Nilai 1 and Nilai 2)

## Independent Limited Assurance Report



**Press Metal Aluminium Holdings Berhad (the “Company”)**  
*Independent Practitioner’s Limited Assurance Report on  
The Company’s Selected Sustainability Indicators for the FYE 2024  
presented in its Integrated Annual Report 2024  
28 April 2025*

### Conclusion (continued)

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Selected Sustainability Indicators for the Company for financial year ended 31 December 2024 presented in the Company’s Integrated Annual Report 2024 are not prepared, in all material respects, in accordance with the Applicable Criteria.

### Basis for conclusion

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

#### *Our Quality Management and Independence*

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

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

### Restriction on distribution and use of our report

Our report has been prepared for the Directors of the Company (the “Directors”) solely in accordance with the terms of our Engagement Letter.

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

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

Our conclusion is not modified in respect of this matter.

## Independent Limited Assurance Report



**Press Metal Aluminium Holdings Berhad (the “Company”)**  
*Independent Practitioner’s Limited Assurance Report on  
 The Company’s Selected Sustainability Indicators for the FYE 2024  
 presented in its Integrated Annual Report 2024  
 28 April 2025*

### Responsibilities for the Selected Sustainability Indicators

The Management of the Company (the “Management”) is responsible for:

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

### Inherent limitations

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

### Our responsibilities

We are responsible for:

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

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

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

- (a) Enquired Management to gain an understanding of the processes established from which the Selected Sustainability Indicators are derived;
- (b) Interviewed relevant staff responsible for preparing and presenting the Selected Sustainability Indicators in the Company’s Integrated Annual Report 2024;
- (c) Compared the Selected Sustainability Indicators presented in the Company’s Integrated Annual Report 2024 to underlying sources on a sample basis; and

## Independent Limited Assurance Report



**Press Metal Aluminium Holdings Berhad (the "Company")**  
*Independent Practitioner's Limited Assurance Report on  
The Company's Selected Sustainability Indicators for the FYE 2024  
presented in its Integrated Annual Report 2024  
28 April 2025*

### Summary of the work we performed as the basis for our conclusion (continued)

- (d) Read the Selected Sustainability Indicators presented in the Company's Integrated Annual Report 2024 to determine whether they are in line with our overall knowledge of, and experience with, the sustainability performance of Press Metal Aluminium Holdings Berhad.

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

### Other matter

Our assurance conclusion was with respect to the Company's Selected Sustainability Indicators for the financial year ended 31 December 2024 and we have not performed any procedures with respect to earlier periods or any other elements included in the Company's Integrated Annual Report 2024 and therefore, we do not express any conclusion thereon.

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

Petaling Jaya

Date: 28 April 2025

## GRI CONTENT INDEX

Press Metal Aluminium Holdings Berhad has reported the information with reference to the GRI Standards 2021 for the period covering the full calendar year from 1 January to 31 December 2024 as cited in this GRI content index.

GRI STANDARD	DISCLOSURE	LOCATION	
<b>GRI Standard GRI 2: General Disclosures 2021</b>	<b>ORGANISATIONAL PROFILE</b>		
	2-1	Organisational details	<ul style="list-style-type: none"> <li>About This Report, pages 2-3</li> <li>Who We Are, pages 4-5</li> <li>Our Integrated Value Chain, pages 4-5</li> <li>About This Sustainability Report, page 89</li> <li>Approach to Sustainability, pages 96-98</li> </ul>
	2-2	Entities included in the organisation's sustainability reporting	<ul style="list-style-type: none"> <li>About This Sustainability Report, (Scope and Boundary), page 89</li> </ul>
	2-3	Reporting period, frequency and contact point	<ul style="list-style-type: none"> <li>About This Report, page 3</li> <li>About This Sustainability Report, page 89</li> </ul>
	2-4	Restatement of information	<ul style="list-style-type: none"> <li>Restatements of information is disclosed at the relevant sections, where applicable</li> </ul>
	2-5	External assurance	<ul style="list-style-type: none"> <li>About This Report (Assurance), page 3</li> <li>About This Sustainability Report (Assurance), page 89</li> <li>Independent Limited Assurance Report, pages 217-220</li> <li>Independent Auditors' Report, page 335-338</li> </ul>
	<b>ACTIVITIES AND WORKERS</b>		
	2-6	Activities, value chain and other business relationships	<ul style="list-style-type: none"> <li>Who We Are, pages 4-5</li> <li>Our Integrated Value Chain, pages 4-5</li> <li>Our Key Strengths, pages 6-7</li> <li>Chairman's Statement, pages 12-15</li> <li>Management Discussion and Analysis by Group CEO, pages 16-21</li> <li>Our Value Creation Model, pages 40-41</li> <li>About This Sustainability Report, page 89</li> <li>Message from Group CEO, pages 94-95</li> </ul>
	2-7	Employees	<ul style="list-style-type: none"> <li>Diversity and Inclusivity, pages 190-194</li> <li>Talent and Labour Management, pages 195-208</li> </ul>
	2-8	Workers who are not employees	<ul style="list-style-type: none"> <li>Talent and Labour Management, pages 195-208</li> </ul>
	<b>GOVERNANCE</b>		
2-9	Governance structure and composition	<ul style="list-style-type: none"> <li>Corporate Information (Board of Directors), pages 42-43</li> <li>Profile of Our Board of Directors, pages 44-49</li> <li>Profile of Our Key Senior Management, Key Operating Management and Country Heads, pages 50-52</li> <li>Corporate Governance Overview Statement, pages 53-75</li> <li>Approach to Sustainability, pages 96-98</li> </ul>	
2-10	Nomination and selection of the highest governance body	<ul style="list-style-type: none"> <li>Profile of Our Board of Directors, pages 44-49</li> <li>Corporate Governance Overview Statement, pages 53-75</li> </ul>	
2-11	Chair of the highest governance body	<ul style="list-style-type: none"> <li>Corporate Information (Board of Directors), pages 42-43</li> <li>Profile of Our Board of Directors, pages 44-49</li> </ul>	

## GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION	
<b>GRI Standard GRI 2: General Disclosures 2021</b>	<b>GOVERNANCE (CONT'D)</b>		
	2-12	Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> <li>• Corporate Governance Overview Statement, pages 53-75</li> <li>• Approach to Sustainability, pages 96-98</li> </ul>
	2-13	Delegation of responsibility for managing impacts	
	2-14	Role of the highest governance body in sustainability reporting	
	2-15	Conflicts of interest	<ul style="list-style-type: none"> <li>• Profile of Our Board of Directors, pages 44-49</li> <li>• Corporate Governance Overview Statement, pages 53-75</li> <li>• Business Ethics and Corporate Governance, pages 106-109</li> </ul>
	2-16	Communication of critical concerns	<ul style="list-style-type: none"> <li>• Engaging with Our Stakeholders, pages 27-30</li> <li>• Business Ethics and Corporate Governance, pages 106-109</li> <li>• Human Rights, pages 182-189</li> <li>• Community Management, pages 209-216</li> </ul>
	2-17	Collective knowledge of the highest governance body	<ul style="list-style-type: none"> <li>• Profile of Our Board of Directors, pages 44-49</li> <li>• Corporate Governance Overview Statement, pages 53-75</li> <li>• Approach to Sustainability, pages 96-98</li> </ul>
	2-18	Evaluation of the performance of the highest governance body	<ul style="list-style-type: none"> <li>• Corporate Governance Overview Statement, pages 53-75</li> </ul>
	2-19	Remuneration policies	<ul style="list-style-type: none"> <li>• Corporate Governance Overview Statement, pages 53-75</li> <li>• Approach to Sustainability (Linking ESG to Remuneration), page 97</li> <li>• Information on the Board of Directors' fees are provided in the Corporate Governance Report</li> </ul>
	2-20	Process to determine remuneration	
	2-21	Annual total compensation ratio	
	<b>STRATEGY, POLICIES AND PRACTICES</b>		
	2-22	Statement on sustainable development strategy	<ul style="list-style-type: none"> <li>• Engaging with Our Stakeholders, pages 27-30</li> <li>• Corporate Governance Overview Statement, pages 53-75</li> <li>• Overview of Our Sustainability Approach, pages 90</li> <li>• Message from Group CEO, pages 94-95</li> <li>• Approach to Sustainability, pages 96-98</li> <li>• Business Ethics and Corporate Governance, pages 106-109</li> <li>• Climate Change, pages 132-147</li> <li>• Air Emissions, pages 152-154</li> <li>• Waste Management, pages 155-159</li> <li>• Water and Effluents, pages 163-166</li> <li>• Biodiversity, pages 167-170</li> <li>• Human Rights, pages 182-189</li> <li>• Community Management, pages 209-216</li> </ul>
	2-23	Policy commitments	
	2-24	Embedding policy commitments	
2-25	Processes to remediate negative impacts		
2-26	Mechanisms for seeking advice and raising concerns	<ul style="list-style-type: none"> <li>• Business Ethics and Corporate Governance, pages 106-109</li> <li>• Human Rights, pages 182-189</li> <li>• Community Management, pages 209-216</li> </ul>	

GRI Content Index

GRI STANDARD	DISCLOSURE		LOCATION
<b>GRI Standard GRI 2: General Disclosures 2021</b>	<b>STRATEGY, POLICIES AND PRACTICES</b>		
	2-27	Compliance with laws and regulations	• Compliance Reporting and Disclosure, pages 110-112
	2-28	Membership associations	• Association and Memberships, page 11
	<b>STAKEHOLDER ENGAGEMENT</b>		
	2-29	Approach to stakeholder engagement	• Engaging with Our Stakeholders, pages 27-30
	2-30	Collective bargaining agreements	• Human Rights (Respecting Freedom of Association and Collective Bargaining), page 183
<b>GRI 3: Material Topics 2021</b>	3-1	Process to determine material topics	• Material Matters at Our Core, pages 31-32
	3-2	List of material topics	
	3-3	Management of material topics	
<b>GRI 200: ECONOMIC</b>			
<b>ECONOMIC PERFORMANCE</b>			
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	• Economic and Financial Resilience, pages 103-105
	201-2	Financial implications and other risks and opportunities due to climate change	
	201-3	Defined benefit plan obligations and other retirement plans.	• Talent and Labour Management, pages 195-208
	201-4	Financial assistance received from government	• Economic and Financial Resilience, pages 103-105
<b>MARKET PRESENCE</b>			
<b>GRI 202: Market Presence 2016</b>	202-2	Proportion of senior management hired from the local community	• Talent and Labour Management, pages 195-208
<b>INDIRECT ECONOMIC IMPACTS</b>			
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1	Infrastructure investments and services supported	• Community Management, pages 209-216
	203-2	Significant indirect economic impacts	
<b>PROCUREMENT PRACTICES</b>			
<b>GRI 204: Procurement Practices 2016</b>	204-1	Proportion of spending on local suppliers	• Responsible Sourcing, pages 113-117
<b>ANTI-CORRUPTION</b>			
<b>GRI 205: Anti-corruption 2016</b>	205-1	Operations assessed for risks related to corruption	• Business Ethics and Corporate Governance, pages 106-109
	205-2	Communication and training about anti-corruption policies and procedures	
	205-3	Confirmed incidents of corruption and actions taken	
<b>ANTI-COMPETITIVE BEHAVIOR</b>			
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	• Business Ethics and Corporate Governance, pages 106-109
<b>TAX</b>			
<b>GRI 207: Tax 2019</b>	207-1	Approach to tax	• Economic and Financial Resilience, pages 103-105
	207-2	Tax governance, control, and risk management	

## GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION	
<b>GRI 300: ENVIRONMENTAL</b>			
<b>MATERIALS</b>			
<b>GRI 301: Materials 2016</b>	301-1	Materials used by weight or volume	• Material Stewardship, pages 160-162
	301-2	Recycled input materials used	
<b>ENERGY</b>			
<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organisation	• Energy Management, pages 148-151
	302-2	Energy consumption outside of the organisation	• Climate Change, pages 132-147
	302-3	Energy intensity	• Energy Management, pages 148-151
	302-4	Reduction of energy consumption	
<b>WATER AND EFFLUENTS</b>			
<b>GRI 303: Water and Effluents 2018</b>	303-1	Interactions with water as a shared resource	• Water and Effluents, pages 163-166
	303-2	Management of water discharge-related impacts	
	303-3	Water withdrawal	
	303-4	Water discharge	
	303-5	Water consumption	
<b>BIODIVERSITY</b>			
<b>GRI 304: Biodiversity 2016</b>	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	• Biodiversity, pages 167-170
	304-2	Significant impacts of activities, products and services on biodiversity	
	304-3	Habitats protected or restored	
<b>EMISSIONS</b>			
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions	• Climate Change, pages 132-147
	305-2	Energy indirect (Scope 2) GHG emissions	
	305-3	Other indirect (Scope 3) GHG emissions	
	305-4	GHG emissions intensity	
	305-5	Reduction of GHG emissions	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	• Air Emissions, pages 152-154
<b>WASTE</b>			
<b>GRI 306: Waste 2020</b>	306-1	Waste generation and significant waste-related impacts	• Waste Management, pages 155-159
	306-2	Management of significant waste-related impacts	
	306-3	Waste generated	
	306-4	Waste diverted from disposal	
	306-5	Waste directed to disposal	
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>			
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers that were screened using environmental criteria	• Responsible Sourcing, pages 113-117
	308-2	Negative environmental impacts in the supply chain and actions taken	

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION	
<b>GRI 400: SOCIAL</b>			
<b>EMPLOYMENT</b>			
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	<ul style="list-style-type: none"> <li>Talent and Labour Management, pages 195-208</li> </ul>
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	
	401-3	Parental leave	
<b>LABOR AND MANAGEMENT RELATIONS</b>			
<b>GRI 402: Labor/ Management Relations 2016</b>	402-1	Minimum notice periods regarding operational changes	<ul style="list-style-type: none"> <li>Talent and Labour Management, pages 195-208</li> </ul>
<b>OCCUPATIONAL HEALTH AND SAFETY</b>			
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system	<ul style="list-style-type: none"> <li>Occupational Health and Safety, pages 171-181</li> </ul>
	403-2	Hazard identification, risk assessment, and incident investigation	
	403-3	Occupational health services	
	403-4	Worker participation, consultation, and communication on occupational health and safety	
	403-5	Worker training on occupational health and safety	
	403-6	Promotion of worker health	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
	403-8	Workers covered by an occupational health and safety management system	
	403-9	Work-related injuries	
	403-10	Work-related ill health	
<b>TRAINING AND EDUCATION</b>			
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	<ul style="list-style-type: none"> <li>Talent and Labour Management, pages 195-208</li> </ul>
	404-2	Programs for upgrading employee skills and transition assistance programs	
	404-3	Percentage of employees receiving regular performance and career development reviews	
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>			
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	<ul style="list-style-type: none"> <li>Corporate Governance Overview Statement, pages 53-75</li> <li>Diversity and Inclusivity, pages 190-194</li> </ul>
<b>NON-DISCRIMINATION</b>			
<b>GRI 406: Non-discrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken	<ul style="list-style-type: none"> <li>Human Rights, pages 182-189</li> <li>Diversity and Inclusivity, pages 190-194</li> </ul>

## GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 400: SOCIAL (CONT'D)</b>		
<b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>		
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk
		<ul style="list-style-type: none"> <li>• Responsible Sourcing, pages 113-117</li> <li>• Human Rights, pages 182-189</li> <li>• Talent and Labour Management, pages 195-208</li> </ul>
<b>CHILD LABOR</b>		
<b>GRI 408: Child Labor 2016</b>	408-1	Operations and suppliers at significant risk for incidents of child labour
		<ul style="list-style-type: none"> <li>• Responsible Sourcing, pages 113-117</li> <li>• Human Rights, pages 182-189</li> </ul>
<b>FORCED OR COMPULSORY LABOR</b>		
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour
		<ul style="list-style-type: none"> <li>• Responsible Sourcing, pages 113-117</li> <li>• Human Rights, pages 182-189</li> </ul>
<b>SECURITY PRACTICES</b>		
<b>GRI 410: Security Practices 2016</b>	410-1	Security personnel trained in human rights policies or procedures
		<ul style="list-style-type: none"> <li>• Human Rights, pages 182-189</li> </ul>
<b>RIGHTS OF INDIGENOUS PEOPLES</b>		
<b>GRI 411: Rights of Indigenous Peoples 2016</b>	411-1	Incidents of violations involving rights of indigenous peoples
		<ul style="list-style-type: none"> <li>• Human Rights, pages 182-189</li> </ul>
<b>LOCAL COMMUNITIES</b>		
<b>GRI 413: Local Communities 2016</b>	413-1	Operations with local community engagement, impact assessments, and development programs
	413-2	Operations with significant actual and potential negative impacts on local communities
		<ul style="list-style-type: none"> <li>• Biodiversity, pages 167-170</li> <li>• Human Rights, pages 182-189</li> <li>• Community Management, pages 209-216</li> </ul>
		<ul style="list-style-type: none"> <li>• Community Management, pages 209-216</li> </ul>
<b>SUPPLIER SOCIAL ASSESSMENT</b>		
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1	New suppliers that were screened using social criteria
	414-2	Negative social impacts in the supply chain and actions taken
		<ul style="list-style-type: none"> <li>• Responsible Sourcing, pages 113-117</li> </ul>
<b>PUBLIC POLICY</b>		
<b>GRI 415: Public Policy 2016</b>	415-1	Political contributions
		<ul style="list-style-type: none"> <li>• Business Ethics and Corporate Governance, pages 106-109</li> </ul>
<b>CUSTOMER HEALTH AND SAFETY</b>		
<b>GRI 416: Customer Health and Safety 2016</b>	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services
		<ul style="list-style-type: none"> <li>• Product Quality and Customer Satisfaction, pages 118-122</li> </ul>
<b>MARKETING AND LABELING</b>		
<b>GRI 417: Marketing and Labeling 2016</b>	417-1	Requirements for product and service information and labeling
		<ul style="list-style-type: none"> <li>• Product Quality and Customer Satisfaction, pages 118-122</li> </ul>
<b>CUSTOMER PRIVACY</b>		
<b>GRI 418: Customer Privacy 2016</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data
		<ul style="list-style-type: none"> <li>• Customer Data Privacy and Information Technology, pages 129-131</li> </ul>

## SASB CONTENT INDEX

Topic	Accounting Metric	Code	Page Number
<b>Greenhouse Gas Emissions</b>	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	EM-MM-110a.1	<ul style="list-style-type: none"> <li>Climate Change, pages 132-147</li> </ul>
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	EM-MM-110a.2	
<b>Air Quality</b>	Air emissions of the following pollutants: (1) CO, (2) NOx (excluding N <sub>2</sub> O), (3) SOx, (4) particulate matter (PM <sub>10</sub> ), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)	EM-MM-120a.1	<ul style="list-style-type: none"> <li>Air Emissions, pages 152-154</li> </ul>
<b>Energy Management</b>	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	EM-MM-130a.1	<ul style="list-style-type: none"> <li>Energy Management, pages 148-151</li> </ul>
<b>Water Management</b>	(1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	EM-MM-140a.1	<ul style="list-style-type: none"> <li>Water and Effluents, pages 163-166</li> </ul>
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	EM-MM-140a.2	
<b>Waste &amp; Hazardous Materials Management</b>	Total weight of hazardous waste generated	EM-MM-150a.7	<ul style="list-style-type: none"> <li>Waste Management, pages 155-159</li> </ul>
	Total weight of hazardous waste recycled	EM-MM-150a.8	
	Number of significant incidents associated with hazardous materials and waste management	EM-MM-150a.9	
	Description of waste and hazardous materials management policies and procedures for active and inactive operations	EM-MM-150a.10	
<b>Biodiversity Impacts</b>	Description of environmental management policies and practices for active sites	EM-MM-160a.1	<ul style="list-style-type: none"> <li>Biodiversity, pages 167-170</li> </ul>
<b>Security, Human Rights &amp; Rights of Indigenous Peoples</b>	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	EM-MM-210a.3	<ul style="list-style-type: none"> <li>Human Rights, pages 182-189</li> </ul>
<b>Community Relations</b>	Discussion of process to manage risks and opportunities associated with community rights and interests	EM-MM-210b.1	<ul style="list-style-type: none"> <li>Community Management, pages 209-216</li> </ul>
<b>Labour Relations</b>	Percentage of active workforce covered under collective bargaining agreements, broken down by U.S. and foreign employees	EM-MM-310a.1	<ul style="list-style-type: none"> <li>Human Rights, pages 182-189</li> <li>Diversity and Inclusivity, pages 190-194</li> </ul>
<b>Workforce Health &amp; Safety</b>	(1) MSHA all-incidence rate, (2) fatality rate, (3) near miss frequency rate (NMFR) and (4) average hours of health, safety, and emergency response training for (a) full-time employees and (b) contract employees	EM-MM-320a.1	<ul style="list-style-type: none"> <li>Occupational Health and Safety, pages 171-181</li> </ul>
<b>Business Ethics &amp; Transparency</b>	Description of the management system for prevention of corruption and bribery throughout the value chain	EM-MM-510a.1	<ul style="list-style-type: none"> <li>Business Ethics and Corporate Governance, pages 106-109</li> </ul>

# BURSA MALAYSIA THREE-YEAR SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2022	2023	2024
<b>Business Ethics and Corporate Governance</b>				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	68.80	70.90	84.00
Management	Percentage	77.00	73.10	91.80
Executive	Percentage	63.70	97.50	92.90
Non-Executive	Percentage	81.50	99.50	92.40
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	57.10	71.40	57.10
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Disclosure of number of staff disciplined or dismissed due to non-compliance with anti-corruption policy/policies	Number	0	0	0
Disclosure of cost of fines, penalties or settlements in relation to corruption	MYR	0.00	0.00	0.00
<b>Regulatory Compliance</b>				
Percentage of sites covered by recognized environmental management systems such as ISO14001 or EMAS	Percentage	100.00	100.00	75.00
<b>Responsible Sourcing</b>				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	50.30	42.30	51.80
<b>Bursa (Data privacy and security)</b>				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
<b>Climate Change</b>				
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	2,220,500.00 *	2,171,400.00 *	1,793,559.30
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	3,022,230.20 *	3,030,933.10 *	2,885,395.30
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metric tonnes	9,069,011.00 *	8,338,753.40 *	7,877,563.80
Investment in climate adaptation measures	MYR	16,500,000.00	24,800,000.00	29,200,000.00
<b>Bursa (Energy management)</b>				
Bursa C4(a) Total energy consumption	Megawatt	1,757.10	1,762.80	1,677.10
Total energy consumption	Million gigajoules	55.4 *	55.6 *	52.8
<b>Air Emissions</b>				
Disclosure of three years of Nitrogen Oxides (NO <sub>x</sub> ) emissions (tonnes)	Tonnes	5.60 *	11.80 *	10.40
Internal assurance	External assurance	No assurance	(*)Restated	

## Bursa Malaysia Three-Year Sustainability Performance Data

Indicator	Measurement Unit	2022	2023	2024
<b>Air Emissions</b>				
Disclosure of three years of Sulfur Oxides (SOx) emissions (tonnes)	Tonnes	7,347.40 *	7,645.10 *	7,135.00
<b>Waste</b>				
Bursa C10(a) Total waste generated	Metric tonnes	172,132.50 *	218,902.80 *	262,570.40
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	155,179.70	203,966.20	243,363.30
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	16,952.80	14,936.60	19,207.10
Disclosure of three years of hazardous waste generation (tonnes)	Metric tonnes	47,578.80 *	53,895.10 *	97,924.90
Disclosure of three years of waste recycled (tonnes)	Metric tonnes	155,179.70	203,966.20	243,363.30
Total costs of environmental fines and penalties during financial year	MYR	6,000.00	14,000.00	0.00
<b>Water and Effluents</b>				
Bursa C9(a) Total volume of water used	Megalitres	2,400.000000 *	2,400.000000	2,600.000000
Company discloses the number and/or proportion of facilities, assets, production, revenue in water-stressed regions	Number	0	0	0
Does the company disclose the number of incidents of non-compliance with water quality/quantity permits, standards and regulations	Number	0	0	0
Three years of total water discharge data is disclosed by destination - Total	Cubic meters	600,000.00	500,000.00	570,429.60
Three years of total water withdrawal data is disclosed by source - Municipal potable water	Cubic meters	3,000,000.00	2,900,000.00 *	3,128,311.30
Three years of total water withdrawal data is disclosed by source - Total	Cubic meters	3,000,000.00	2,900,000.00 *	3,128,311.30
<b>Occupational Health and Safety</b>				
Bursa C5(a) Number of work-related fatalities	Number	2	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.70	0.50 *	0.60
Bursa C5(c) Number of employees trained on health and safety standards	Number	5,305 *	5,223 *	6,825
Percentage of sites with OHSAS 18001 certification	Percentage	100.00	100.00	75.00
Number of work-related employee fatalities, over last 3 years	Number	1	0	0
Number of work-related contractor fatalities, over last 3 years	Number	1	0	0

Internal assurance

External assurance

No assurance

(\*)Restated

## Bursa Malaysia Three-Year Sustainability Performance Data

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa (Labour practices and standards)</b>				
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
<b>Diversity and Inclusivity</b>				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Under 30	Percentage	0.00	2.40 *	0.00
Senior Management Between 30-50	Percentage	48.80 *	45.20 *	44.00
Senior Management Above 50	Percentage	51.20 *	52.40 *	56.00
Management Under 30	Percentage	1.80 *	2.40 *	0.50
Management Between 30-50	Percentage	77.30 *	73.20 *	76.40
Management Above 50	Percentage	20.90 *	24.40 *	23.10
Executive Under 30	Percentage	33.20 *	32.30 *	27.40
Executive Between 30-50	Percentage	62.20 *	62.20 *	65.90
Executive Above 50	Percentage	4.60 *	5.50 *	6.70
Non-executive Under 30	Percentage	55.80 *	52.00 *	47.60
Non-executive Between 30-50	Percentage	41.50 *	45.00 *	49.20
Non-executive Above 50	Percentage	2.70 *	3.00 *	3.20
Gender Group by Employee Category				
Senior Management Male	Percentage	83.70 *	83.30 *	84.00
Senior Management Female	Percentage	16.30 *	16.70 *	16.00
Management Male	Percentage	70.60 *	66.10 *	61.50
Management Female	Percentage	29.40 *	33.90 *	38.50
Executive Male	Percentage	66.80 *	67.10 *	66.20
Executive Female	Percentage	33.20 *	32.90 *	33.80
Non-executive Male	Percentage	89.40 *	89.90 *	90.80
Non-executive Female	Percentage	10.60 *	10.10 *	9.20

## Bursa Malaysia Three-Year Sustainability Performance Data

Indicator	Measurement Unit	2022	2023	2024
<b>Diversity and Inclusivity</b>				
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	70.00	70.00	70.00
Female	Percentage	30.00	30.00	30.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	10.00	10.00	10.00
Above 50	Percentage	90.00	90.00	90.00
Percentage of global staff with a disability.	Percentage	0.04	0.05	0.01
Percentage of women in the global workforce.	Percentage	13.50	13.30	12.80
Number of Board Directors	Number	10	10	10
Number of independent Directors on the board	Number	5	5	5
Number of women on the board	Number	3	3	3
<b>Talent and Labour Management</b>				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	471	1,086	1,421
Management	Hours	3,038	7,608	7,626
Executive	Hours	37,865	47,800	44,969
Non-executive	Hours	317,926	286,352	324,439
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	14.60	16.50	33.30
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	2 *	5 *	3
Management	Number	8 *	11 *	13
Executive	Number	135 *	96 *	101
Non-executive	Number	1,329 *	826 *	601
<b>Community Management</b>				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	6,200,000.00	6,300,000.00	7,856,220.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	390 *	462 *	1,903

Internal assurance

External assurance

No assurance

(\*)Restated

## Bursa Malaysia Three-Year Sustainability Performance Data

### Notes:

1. The performance data table was generated from the custom template of Bursa Malaysia's ESG reporting platform.
2. Data boundaries for the table are as follows:
  - a. Indicators that include data aggregated from our smelting facilities only (PMBtu and PMS)
    - Disclosure of three years of Nitrogen Oxides (NOx) emissions (tonnes)
    - Disclosure of three years of Sulfur Oxides (SOx) emissions (tonnes)
  - b. Indicators that include data aggregated from our corporate headquarters (PMAH), midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities in FYE2022 and FYE2023. In FYE2024, we included PMBA Nilai 1 and PMBA Nilai 2 to the reporting boundary:
    - C1(a), C1(b), C1(c), C2(a), C2(b), C3(a), C5(c), C6(a), C6(b), C6(c), C6(d)
    - Disclosure of number of staff disciplined or dismissed due to non-compliance with anti-corruption policy/policies
    - Disclosure of cost of fines, penalties or settlements in relation to corruption
    - Percentage of global staff with a disability
    - Percentage of women in the global workforce
    - Investment in climate adaptation measures
  - c. Indicators that include data aggregated from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities only in FYE2022 and FYE2023. In FYE2024 we included our corporate headquarters (PMAH), PMBA Nilai 1, and PMBA Nilai 2 to the reporting boundary:
    - C5(a), C5(b), C7(a), C9(a), C10(a), C10(a)(i), C10(a)(ii)
    - Number of work-related employee fatalities, over last 3 years
    - Number of work-related contractor fatalities, over last 3 years
    - Disclosure of three years of hazardous waste generation (tonnes)
    - Disclosure of three years of waste recycled (tonnes)
    - Three years of total water withdrawal data is disclosed by source - Municipal potable water
    - Three years of total water withdrawal data is disclosed by source - Total
  - d. Indicators that include data aggregated from our midstream (PMBtu, PMS, and PMAR) and downstream (PMI, PMIT, and PMBA Klang) facilities only in FYE2022 and FYE2023. In FYE2024, we included PMBA Nilai 1 and Nilai 2 to the reporting boundary:
    - C4(a), C8(a), C11(a), C11(b), C11(c)
    - Percentage of sites covered by recognised environmental management systems such as ISO14001 or EMAS
    - Total energy consumption (million gigajoules)
    - Total costs of environmental fines and penalties during financial year
    - Discloses the number and/or proportion of facilities, assets, production, revenue in water-stressed regions
    - Does the company disclose the number of incidents of non-compliance with water quality/quantity permits, standards and regulations
    - Percentage of sites with OHSAS 18001 certification
  - e. Indicator that included data aggregated from our facilities at PMBA Klang and PMI only in FYE2022 and FYE2023. PMBA Nilai 2 was included in the reporting boundary in FYE2024:
    - Three years of total water discharge data is disclosed by destination - Total
  - f. Indicators that only include data collected from our corporate headquarters (PMAH):
    - C3(b) Percentage of directors by gender and age group. The age groups of the directors are based on their age as at the end of FYE2024
    - Number of Board Directors
    - Number of independent Directors on the board
    - Number of women on the board
3. For more information on our sustainability performance, please refer to the Sustainability Report section of this IAR FYE2024 from pages 89 to 216.

## **SECTION 6**

## **FINANCIAL STATEMENTS**

- 234** Directors' Report
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## DIRECTORS' REPORT

For the year ended 31 December 2024

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

### PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities whilst the principal activities of the subsidiaries are as stated in Note 7 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

### SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 7 to the financial statements.

### RESULTS

	Group RM'000	Company RM'000
Profit for the year attributable to:		
Owners of the Company	1,765,700	617,228
Non-controlling interests	359,010	-
	2,124,710	617,228

### RESERVES AND PROVISIONS

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

### DIVIDENDS

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

- i) In respect of the financial year ended 31 December 2023 as reported in the Directors' Report of that year, a fourth interim ordinary dividend of 1.75 sen per ordinary share totalling RM144,193,000 declared on 28 February 2024 and paid on 29 March 2024.
- ii) In respect of the financial year ended 31 December 2024:
  - a first interim ordinary dividend of 1.75 sen per ordinary share totalling RM144,193,000 declared on 30 May 2024 and paid on 28 June 2024.
  - a second interim ordinary dividend of 1.75 sen per ordinary share totalling RM144,193,000 declared on 29 August 2024 and paid on 30 September 2024.
  - a third interim ordinary dividend of 1.75 sen per ordinary share totalling RM144,193,000 declared on 29 November 2024 and paid on 31 December 2024.

Subsequent to the end of the current financial year, the Directors declared a fourth interim ordinary dividend of 1.75 sen per ordinary share totalling RM144,193,000 on 26 February 2025 in respect of the financial year ended 31 December 2024, which was paid on 28 March 2025.

The Directors do not recommend any final dividend to be paid for the financial year under review.

## Directors' Report

For the year ended 31 December 2024

## DIRECTORS OF THE COMPANY

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

Datuk Yvonne Chia P.M.W. (Yau Ah Lan @ Fara Yvonne)  
 Tan Sri Dato' Koon Poh Keong  
 Datuk Koon Poh Ming  
 Dato' Koon Poh Tat  
 Datuk Koon Poh Kong  
 Koon Poh Weng  
 Lim Hun Soon @ David Lim  
 Noor Alina binti Mohamad Faiz  
 Susan Yuen Su Min  
 Chong Kin Leong  
 John Koon Tzer Lim (Alternate to Datuk Koon Poh Ming)

## DIRECTORS' INTERESTS IN SHARES

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

	Number of ordinary shares			
	At 1.1.2024	Bought/ Transferred	Sold/ Transferred	At 31.12.2024
Interests in the Company:				
Datuk Yvonne Chia P.M.W. (Yau Ah Lan @ Fara Yvonne)	100,000	-	-	100,000
Tan Sri Dato' Koon Poh Keong				
- own	225,535,022	-	-	225,535,022
- spouse	22,161,145	-	-	22,161,145
Datuk Koon Poh Ming				
- own	512,864,516	-	-	512,864,516
- spouse	100,920,000	-	(10,000,000)	90,920,000
Dato' Koon Poh Tat				
- own	222,378,760	2,371,900	(11,000,000)	213,750,660
- spouse	8,528,604	10,000,000	-	18,528,604
Datuk Koon Poh Kong				
- own	105,501,372	-	(6,300,000)	99,201,372
- spouse	1,960,240	-	-	1,960,240
- children	34,100,000	-	-	34,100,000
Koon Poh Weng				
- own	320,975,136	147,000,000	-	467,975,136
- spouse	149,212,160	-	(147,000,000)	2,212,160
- children	109,760	-	-	109,760

## Directors' Report

For the year ended 31 December 2024

### DIRECTORS' INTERESTS IN SHARES (CONT'D)

	Number of ordinary shares			
	At 1.1.2024	Bought/ Transferred	Sold/ Transferred	At 31.12.2024
Interests in the Company ( <i>cont'd</i> ):				
Susan Yuen Su Min				
- own	2,000	-	-	2,000
Deemed interests in the Company:				
Tan Sri Dato' Koon Poh Keong*	2,785,676,677	-	-	2,785,676,677
Datuk Koon Poh Ming**	30,000,000	10,000,000	-	40,000,000
Datuk Koon Poh Kong***	30,000,000	-	-	30,000,000

\* Deemed interested in Paul Koon Foundation, the holding entity of Paul Koon Pte. Ltd., by virtue of Paul Koon Pte. Ltd.'s 100% direct equity interest in KPK Holdings (L) Ltd., the holding company of Alpha Milestone Sdn. Bhd.

\*\* Deemed interested by virtue of the Director's interests in 7G Holdings Pte. Ltd.

\*\*\* Deemed interested by virtue of the Director's interests in TK Capital Investment Ltd.

In accordance with the Companies Act, the interests and deemed interests of the spouses and children of the Directors in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) shall also be treated as the interests of the Directors.

By virtue of their interests in the shares of the Company, Tan Sri Dato' Koon Poh Keong, Dato' Koon Poh Tat, Datuk Koon Poh Ming, Datuk Koon Poh Kong and Koon Poh Weng are also deemed interested in the shares of the subsidiaries during the financial year to the extent that Press Metal Aluminium Holdings Berhad has an interest.

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

### DIRECTORS' BENEFITS

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

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

	From the Company RM'000	From the subsidiary companies RM'000
Directors of the Company:		
Fees	1,143	-
Remuneration	12,263	563
Total short-term employee benefits	13,406	563

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

## Directors' Report

For the year ended 31 December 2024

### ISSUE OF SHARES AND DEBENTURES

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

There were no debentures issued during the financial year.

### OPTIONS GRANTED OVER UNISSUED SHARES

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

### INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of indemnity sum insured and premium paid for Directors and officers of the Company are RM30,000,000 and RM142,000 respectively. This sum exclude coverage for the auditors of the Company.

### OTHER STATUTORY INFORMATION

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

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

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

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

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

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

## Directors' Report

For the year ended 31 December 2024

### OTHER STATUTORY INFORMATION (CONT'D)

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

In the opinion of the Directors, except for the written off expenses of property, plant and equipment due to the fire incident and potential amount to be recovered via insurance claims as disclosed in Note 34.2 and Note 22 respectively, the financial performance of the Group and of the Company for the financial year ended 31 December 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

### SIGNIFICANT EVENTS

The significant events are disclosed in Note 34 to the financial statements.

### SUBSEQUENT EVENT

The subsequent events are disclosed in Note 35 to the financial statements.

### AUDITORS

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

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

	Group RM'000	Company RM'000
KPMG PLT	1,665	345
Overseas affiliates of KPMG PLT	217	-
Other auditors	1,064	-
	2,946	345

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

**Tan Sri Dato' Koon Poh Keong**  
Director

**Datuk Koon Poh Ming**  
Director

Petaling Jaya, Selangor

28 April 2025

# STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Assets</b>					
Property, plant and equipment	3	7,029,510	7,215,832	7,325	2,555
Right-of-use assets	4	464,622	481,563	-	-
Investment properties	5	46,872	49,181	-	-
Intangible assets	6	66,505	67,111	-	-
Investments in subsidiaries	7	-	-	1,197,234	1,197,234
Investments in associates	8	2,001,037	1,836,390	174,768	1,332,267
Other investments	9	1,803	1,803	-	-
Derivative financial assets	10	446,786	58,067	11,191	2,036
Deferred tax assets	11	10,793	20,993	6,188	18,151
Trade and other receivables	12	-	-	1,595,249	1,459,776
Prepayments and other assets	12	100,920	5,792	-	-
<b>Total non-current assets</b>		<b>10,168,848</b>	<b>9,736,732</b>	<b>2,991,955</b>	<b>4,012,019</b>
Inventories	13	2,621,244	2,566,424	-	-
Trade and other receivables	12	2,041,792	1,557,448	1,982,017	1,776,496
Prepayments and other assets	12	163,103	41,228	-	-
Current tax assets		21,725	68,291	-	-
Derivative financial assets	10	108,751	168,341	-	-
Cash and cash equivalents	14	1,508,748	1,228,008	183,007	173,206
<b>Total current assets</b>		<b>6,465,363</b>	<b>5,629,740</b>	<b>2,165,024</b>	<b>1,949,702</b>
<b>Total assets</b>		<b>16,634,211</b>	<b>15,366,472</b>	<b>5,156,979</b>	<b>5,961,721</b>
<b>Equity</b>					
Share capital		2,052,744	2,052,744	2,052,744	2,052,744
Reserves		192,098	(159,341)	(225,201)	(283,300)
Retained earnings		6,231,343	5,039,611	460,685	420,229
<b>Equity attributable to owners of the Company</b>	15	<b>8,476,185</b>	<b>6,933,014</b>	<b>2,288,228</b>	<b>2,189,673</b>
<b>Non-controlling interests</b>		<b>1,828,952</b>	<b>1,463,239</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>10,305,137</b>	<b>8,396,253</b>	<b>2,288,228</b>	<b>2,189,673</b>
<b>Liabilities</b>					
Loans and borrowings	16	2,028,045	3,067,950	1,814,204	2,782,154
Lease liabilities		192,096	206,242	-	-
Provisions	17	140,642	151,671	-	-
Deferred tax liabilities	11	617,746	487,661	-	-
Derivative financial liabilities	10	22,222	299,084	3,952	34,815
<b>Total non-current liabilities</b>		<b>3,000,751</b>	<b>4,212,608</b>	<b>1,818,156</b>	<b>2,816,969</b>
Loans and borrowings	16	1,842,480	1,330,836	954,587	857,413
Lease liabilities		21,781	22,825	-	-
Provisions	17	9,632	10,337	-	-
Trade and other payables	18	1,342,118	1,248,913	64,409	60,953
Current tax liabilities		20,217	4,501	6,730	283
Derivative financial liabilities	10	92,095	140,199	24,869	36,430
<b>Total current liabilities</b>		<b>3,328,323</b>	<b>2,757,611</b>	<b>1,050,595</b>	<b>955,079</b>
<b>Total liabilities</b>		<b>6,329,074</b>	<b>6,970,219</b>	<b>2,868,751</b>	<b>3,772,048</b>
<b>Total equity and liabilities</b>		<b>16,634,211</b>	<b>15,366,472</b>	<b>5,156,979</b>	<b>5,961,721</b>

The notes on pages 250 to 333 are an integral part of these financial statements.

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	19	14,909,528	13,804,707	737,823	772,948
Cost of sales		(12,079,494)	(11,510,066)	-	-
<b>Gross profit</b>		<b>2,830,034</b>	<b>2,294,641</b>	<b>737,823</b>	<b>772,948</b>
Other income		164,385	65,028	9,624	5,339
Distribution expenses		(391,709)	(314,698)	-	-
Administrative expenses		(334,223)	(286,450)	(80,401)	(58,184)
Net loss on impairment of financial instruments and contract assets		(485)	(7,407)	-	-
Other expenses		(369,134)	(93,943)	(9,168)	(33,379)
<b>Results from operating activities</b>		<b>1,898,868</b>	<b>1,657,171</b>	<b>657,878</b>	<b>686,724</b>
Finance income	20	63,184	23,797	111,005	107,409
Finance costs	21	(217,937)	(242,475)	(149,868)	(165,801)
<b>Net finance costs</b>		<b>(154,753)</b>	<b>(218,678)</b>	<b>(38,863)</b>	<b>(58,392)</b>
Share of profit of equity-accounted associates, net of tax		559,278	207,356	-	-
<b>Profit before tax</b>	22	<b>2,303,393</b>	<b>1,645,849</b>	<b>619,015</b>	<b>628,332</b>
Tax expense	23	(178,683)	(127,857)	(1,787)	(3,001)
<b>Profit for the year</b>		<b>2,124,710</b>	<b>1,517,992</b>	<b>617,228</b>	<b>625,331</b>
<b>Other comprehensive income/(expense), net of tax</b>					
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Cash flow hedge		662,457	(450,275)	58,099	(64,079)
Foreign currency translation differences for foreign operations		(88,177)	33,927	-	-
Share of other comprehensive income of equity-accounted associates		(129,328)	12,112	-	-
<b>Other comprehensive income/(expense) for the year, net of tax</b>	24	<b>444,952</b>	<b>(404,236)</b>	<b>58,099</b>	<b>(64,079)</b>
<b>Total comprehensive income for the year</b>		<b>2,569,662</b>	<b>1,113,756</b>	<b>675,327</b>	<b>561,252</b>
<b>Profit attributable to:</b>					
Owners of the Company		1,765,700	1,215,268	617,228	625,331
Non-controlling interests		359,010	302,724	-	-
<b>Profit for the year</b>		<b>2,124,710</b>	<b>1,517,992</b>	<b>617,228</b>	<b>625,331</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		2,117,139	878,385	675,327	561,252
Non-controlling interests		452,523	235,371	-	-
<b>Total comprehensive income for the year</b>		<b>2,569,662</b>	<b>1,113,756</b>	<b>675,327</b>	<b>561,252</b>
<b>Basic earnings per ordinary share (sen)</b>	25	<b>21.43</b>	14.75		

The notes on pages 250 to 333 are an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Group	Note	Attributable to owners of the Company							Total equity RM'000
		Non-distributable			Distributable		Non-controlling interests RM'000	Total RM'000	
		Share capital RM'000	Translation reserve RM'000	Hedging reserve RM'000	Retained earnings RM'000				
<b>At 1 January 2023</b>		2,052,744	56,490	121,052	4,406,758	6,637,044	1,368,306	8,005,350	
Cash flow hedge		-	-	(376,706)	-	(376,706)	(73,569)	(450,275)	
Foreign currency translation differences for foreign operations:									
- Gains arising during the year		-	27,711	-	-	27,711	6,216	33,927	
Share of other comprehensive income of equity-accounted associates		-	15,719	(3,607)	-	12,112	-	12,112	
Total other comprehensive expense for the year		-	43,430	(380,313)	-	(336,883)	(67,353)	(404,236)	
Profit for the year		-	-	-	1,215,268	1,215,268	302,724	1,517,992	
<b>Total comprehensive income for the year</b>		-	43,430	(380,313)	1,215,268	878,385	235,371	1,113,756	
<i>Contributions by and distributions to owners of the Group</i>									
Dividends to owners of the Company	26	-	-	-	(576,772)	(576,772)	-	(576,772)	
Dividends to non-controlling interests		-	-	-	-	-	(173,100)	(173,100)	
		-	-	-	(576,772)	(576,772)	(173,100)	(749,872)	
Partial disposal of interest in a subsidiary	32.3	-	-	-	(5,643)	(5,643)	32,662	27,019	
<b>Total transactions with owners of the Group</b>		-	-	-	(582,415)	(582,415)	(140,438)	(722,853)	
<b>At 31 December 2023</b>		2,052,744	99,920	(259,261)	5,039,611	6,933,014	1,463,239	8,396,253	

## Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

Group	Note	Attributable to owners of the Company							Total equity RM'000
		Non-distributable			Distributable		Total RM'000	Non- controlling interests RM'000	
		Share capital RM'000	Translation reserve RM'000	Hedging reserve RM'000	Retained earnings RM'000				
<b>At 1 January 2024</b>		2,052,744	99,920	(259,261)	5,039,611	6,933,014	1,463,239	8,396,253	
Cash flow hedge		-	-	551,963	-	551,963	110,494	662,457	
Foreign currency translation differences for foreign operations:									
- Losses arising during the year		-	(71,196)	-	-	(71,196)	(16,981)	(88,177)	
Share of other comprehensive expense of equity- accounted associates		-	(130,664)	1,336	-	(129,328)	-	(129,328)	
Total other comprehensive income for the year		-	(201,860)	553,299	-	351,439	93,513	444,952	
Profit for the year		-	-	-	1,765,700	1,765,700	359,010	2,124,710	
<b>Total comprehensive income for the year</b>		-	(201,860)	553,299	1,765,700	2,117,139	452,523	2,569,662	
<i>Contributions by and distributions to owners of the Group</i>									
Dividends to owners of the Company	26	-	-	-	(576,772)	(576,772)	-	(576,772)	
Dividends to non-controlling interests		-	-	-	-	-	(144,993)	(144,993)	
		-	-	-	(576,772)	(576,772)	(144,993)	(721,765)	
Subscription of interests in a subsidiary by non-controlling interests	32.1	-	-	-	-	-	65,992	65,992	
Acquisition of additional interests in a subsidiary from non-controlling interests	32.2	-	-	-	2,804	2,804	(6,689)	(3,885)	
Distribution to non-controlling interest in relation to a winding up subsidiary		-	-	-	-	-	(1,120)	(1,120)	
<b>Total transactions with owners of the Group</b>		-	-	-	(573,968)	(573,968)	(86,810)	(660,778)	
<b>At 31 December 2024</b>		2,052,744	(101,940)	294,038	6,231,343	8,476,185	1,828,952	10,305,137	

The notes on pages 250 to 333 are an integral part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Company	Note	Non-distributable			Distributable	
		Share capital RM'000	Reorganisation reserve RM'000	Hedging reserve RM'000	Retained earnings RM'000	Total equity RM'000
<b>At 1 January 2023</b>		2,052,744	(230,702)	11,481	371,670	2,205,193
Cash flow hedge		-	-	(64,079)	-	(64,079)
Total other comprehensive expense for the year		-	-	(64,079)	-	(64,079)
Profit for the year		-	-	-	625,331	625,331
<b>Total comprehensive income for the year</b>		-	-	(64,079)	625,331	561,252
<i>Contributions by and distributions to owners of the Company</i>						
Dividends to owners of the Company	26	-	-	-	(576,772)	(576,772)
<b>Total transactions with owners of the Company</b>		-	-	-	(576,772)	(576,772)
<b>At 31 December 2023/1 January 2024</b>		<b>2,052,744</b>	<b>(230,702)</b>	<b>(52,598)</b>	<b>420,229</b>	<b>2,189,673</b>
Cash flow hedge		-	-	58,099	-	58,099
Total other comprehensive income for the year		-	-	58,099	-	58,099
Profit for the year		-	-	-	617,228	617,228
<b>Total comprehensive income for the year</b>		-	-	58,099	617,228	675,327
<i>Contributions by and distributions to owners of the Company</i>						
Dividends to owners of the Company	26	-	-	-	(576,772)	(576,772)
<b>Total transactions with owners of the Company</b>		-	-	-	(576,772)	(576,772)
<b>At 31 December 2024</b>		<b>2,052,744</b>	<b>(230,702)</b>	<b>5,501</b>	<b>460,685</b>	<b>2,288,228</b>

The notes on pages 250 to 333 are an integral part of these financial statements.

## STATEMENTS OF CASH FLOWS

For the year ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Cash flows from operating activities</b>				
Profit before tax	2,303,393	1,645,849	619,015	628,332
<i>Adjustments for:</i>				
Depreciation of investment properties	1,582	1,558	-	-
Depreciation of property, plant and equipment	731,474	654,911	14	10
Depreciation of right-of-use assets	31,864	30,326	-	-
Dividend income	-	-	(695,831)	(735,870)
Finance costs	217,937	242,475	149,868	165,801
Finance income	(63,184)	(23,797)	(111,005)	(107,409)
Loss on disposal of right-of-use assets	-	49	-	-
Loss/(Gain) on disposal of investment property	15	(370)	-	-
Loss on derecognition of right-of-use assets	68	905	-	-
Insurance compensation receivable	(127,542)	-	-	-
Impairment loss of financial instruments	485	7,407	-	-
Loss on disposal of property, plant and equipment	516	751	-	-
Loss on disposal of investment in subsidiaries	-	1,223	-	-
Others	100	116	-	-
Property, plant and equipment written off	158,586	20,116	-	-
Share of profit of equity-accounted associates, net of tax	(559,278)	(207,356)	-	-
Unrealised derivative loss/(gain)	47,697	3,717	24,867	(5,163)
Unrealised foreign exchange loss/(gain)	15,407	(8,059)	(34,318)	31,613
<b>Operating profit/(loss) before changes in working capital</b>	<b>2,759,120</b>	<b>2,369,821</b>	<b>(47,390)</b>	<b>(22,686)</b>
Change in derivatives	23,512	39,688	-	-
Change in inventories	(54,381)	227,665	-	-
Change in trade and other payables and provisions	(26,387)	(70,708)	(29,451)	(36,897)
Change in trade and other receivables and prepayments	(112,381)	422,302	265,856	175,040
<b>Cash generated from operations</b>	<b>2,589,483</b>	<b>2,988,768</b>	<b>189,015</b>	<b>115,457</b>
Tax paid	(43,474)	(124,677)	(1,724)	(2,735)
Tax refunded	3,812	1,891	-	-
<b>Net cash from operating activities</b>	<b>2,549,821</b>	<b>2,865,982</b>	<b>187,291</b>	<b>112,722</b>

## Statements of Cash Flows

For the year ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Cash flows from investing activities</b>				
Acquisition of a subsidiary, net of cash and cash equivalents acquired (Note 32.1)	(3,204)	-	-	-
Acquisition of property, plant and equipment	(766,965)	(701,625)	(4,784)	(2,534)
Acquisition of right-of-use assets	(11,758)	(2,787)	-	-
Acquisition of investment properties	(53)	-	-	-
Dividends received from subsidiaries	-	-	576,000	692,400
Dividends received from an associate	119,831	51,250	119,831	43,470
Gain on acquisition of a subsidiary (Note 32.1)	(27)	-	-	-
Increase in prepayments	(96,994)	-	-	-
Increase in investment in an associate	(152,301)	(124,576)	(152,301)	(124,576)
(Increase)/Decrease in amounts due from subsidiaries	-	-	(388)	13,066
Interest received from Irredeemable Convertible Secured Loan Stocks of an associate	-	1,765	-	1,765
Interest received from short-term deposits	63,184	22,032	1,741	2,046
Loans to a subsidiary	-	-	-	(500,000)
Proceeds from disposal of property, plant and equipment	4,124	2,337	-	-
Proceeds from disposal of right-of-use assets	-	591	-	-
Proceeds from disposal of investment properties	500	3,175	-	-
Proceeds from disposal of investment in subsidiaries	-	15,086	-	-
Proceeds from disposal of interest in a subsidiary	-	27,019	-	-
Repayment of loans from a subsidiary	-	-	834,227	484,325
Distribution to non-controlling interest in relation to winding up a subsidiary	(1,120)	-	-	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(844,783)</b>	<b>(705,733)</b>	<b>1,374,326</b>	<b>609,962</b>

## Statements of Cash Flows

For the year ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Cash flows from financing activities</b>				
Acquisition of additional interest in a subsidiary from non-controlling interest (Note 32.1)	(3,885)	-	-	-
Increase in amounts due to subsidiaries	-	-	7,716	888
Dividends paid to non-controlling interests of subsidiaries	(144,993)	(173,100)	-	-
Dividends paid to owners of the Company	(576,772)	(576,772)	(576,772)	(576,772)
Drawdown of bank loans	389,716	431,094	-	124,308
Drawdown of bankers' acceptances	1,964,162	3,234,410	-	-
Drawdown of revolving credits	438,396	489,593	-	-
Interest paid in relation to lease liabilities	(9,920)	(9,006)	-	-
Interest paid on loans and borrowings	(208,017)	(233,469)	(124,677)	(132,487)
Payment of lease liabilities	(25,100)	(27,617)	-	-
Proceeds from issuance of Islamic Medium-Term Notes	-	500,000	-	500,000
Repayment of bank loans	(817,577)	(827,248)	(308,083)	(545,766)
Repayment of bankers' acceptances	(1,587,532)	(3,833,298)	-	-
Repayment of Islamic Medium-Term Notes	(550,000)	-	(550,000)	-
Repayment of revolving credits	(325,486)	(511,272)	-	-
Subscription of shares in a subsidiary by non-controlling interest	65,992	-	-	-
<b>Net cash used in financing activities</b>	<b>(1,391,016)</b>	<b>(1,536,685)</b>	<b>(1,551,816)</b>	<b>(629,829)</b>
<b>Net cash flows from operating, investing and financing activities</b>	<b>314,022</b>	<b>623,564</b>	<b>9,801</b>	<b>92,855</b>
Effect of foreign currency translation differences	(23,962)	(5,408)	-	-
<b>Net increase in cash and cash equivalents</b>	<b>290,060</b>	<b>618,156</b>	<b>9,801</b>	<b>92,855</b>
Effect of exchange rate fluctuations on cash held	(958)	4,929	-	-
Cash and cash equivalents at 1 January	1,219,642	596,557	173,206	80,351
<b>Cash and cash equivalents at 31 December</b>	<b>1,508,744</b>	<b>1,219,642</b>	<b>183,007</b>	<b>173,206</b>

## Statements of Cash Flows

For the year ended 31 December 2024

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	14	1,508,748	1,228,008	183,007	173,206
Bank overdrafts	16	(4)	(8,366)	-	-
		<b>1,508,744</b>	<b>1,219,642</b>	<b>183,007</b>	<b>173,206</b>

**ACQUISITION OF RIGHT-OF-USE ASSETS**

During the financial year ended 31 December 2024, the Group recognised right-of-use assets amounting to RM43,560,000 (2023: RM31,252,000) of which RM11,758,000 (2023: RM2,787,000) were down payments made in cash.

**CASH OUTFLOWS FOR LEASES AS A LESSEE**

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Included in net cash from operating activities:</b>					
Payment relating to short-term leases		15,097	18,066	716	696
<b>Included in net cash from financing activities:</b>					
Interest paid in relation to lease liabilities	21	9,920	9,006	-	-
Payment of lease liabilities		25,100	27,617	-	-
<b>Total cash outflows for leases</b>		<b>50,117</b>	<b>54,689</b>	<b>716</b>	<b>696</b>

## Statements of Cash Flows

For the year ended 31 December 2024

### Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1.1.2023 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease RM'000	Dividends declared RM'000	Foreign exchange movements RM'000	Other changes RM'000	At 31.12.2023 RM'000
<b>Group</b>							
Bank loans	1,730,310	(396,154)	-	-	2,758	49,970	1,386,884
Dividends payable	-	(576,772)	-	576,772	-	-	-
Lease liabilities	239,143	(27,617)	28,465	-	9,507	(20,431)	229,067
Islamic Medium-Term Notes	2,300,000	500,000	-	-	-	-	2,800,000
Bankers' acceptances	615,459	(598,888)	-	-	2,922	-	19,493
Revolving credits	200,956	(21,679)	-	-	4,766	-	184,043
Total liabilities from financing activities	5,085,868	(1,121,110)	28,465	576,772	19,953	29,539	4,619,487

	At 1.1.2024 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease RM'000	Dividends declared RM'000	Foreign exchange movements RM'000	Other changes RM'000	At 31.12.2024 RM'000
<b>Group</b>							
Bank loans	1,386,884	(427,861)	-	-	(6,915)	(16,482)	935,626
Dividends payable	-	(576,772)	-	576,772	-	-	-
Lease liabilities	229,067	(25,100)	31,802	-	(21,462)	(430)	213,877
Islamic Medium-Term Notes	2,800,000	(550,000)	-	-	-	-	2,250,000
Bankers' acceptances	19,493	376,630	-	-	-	4,511	400,634
Revolving credits	184,043	112,910	-	-	(12,692)	-	284,261
Total liabilities from financing activities	4,619,487	(1,090,193)	31,802	576,772	(41,069)	(12,401)	4,084,398

## Statements of Cash Flows

For the year ended 31 December 2024

Reconciliation of movements of liabilities to cash flows arising from financing activities (*cont'd*)

	At 1.1.2023 RM'000	Net changes from financing cash flows RM'000	Dividends declared RM'000	Foreign exchange movements RM'000	At 31.12.2023 RM'000
<b>Company</b>					
Amounts due to subsidiaries	18,517	888	-	-	19,405
Bank loans	1,229,412	(421,458)	-	31,613	839,567
Dividends payable	-	(576,772)	576,772	-	-
Islamic Medium-Term Notes	2,300,000	500,000	-	-	2,800,000
Total liabilities from financing activities	3,547,929	(497,342)	576,772	31,613	3,658,972

	At 1.1.2024 RM'000	Net changes from financing cash flows RM'000	Dividends declared RM'000	Foreign exchange movements RM'000	At 31.12.2024 RM'000
<b>Company</b>					
Amounts due to subsidiaries	19,405	7,716	-	-	27,121
Bank loans	839,567	(308,083)	-	(12,693)	518,791
Dividends payable	-	(576,772)	576,772	-	-
Islamic Medium-Term Notes	2,800,000	(550,000)	-	-	2,250,000
Total liabilities from financing activities	3,658,972	(1,427,139)	576,772	(12,693)	2,795,912

The notes on pages 250 to 333 are an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

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

## Principal place of business

Suite 61 & 62, Setia Avenue  
No. 2, Jalan Setia Prima S U13/S  
Setia Alam, Seksyen U13  
40170 Shah Alam  
Selangor Darul Ehsan

## Registered office

12<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”) and the Group’s interests in associates. The financial statements of the Company as at and for the financial year ended 31 December 2024 also include a joint operation.

The Company is principally engaged in investment holding activities whilst the principal activities of the subsidiaries are as stated in Note 7 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 28 April 2025.

## 1. BASIS OF PREPARATION

### (a) Statement of compliance

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

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

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

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

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

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

## Notes to the Financial Statements

**1. BASIS OF PREPARATION (CONT'D)****(a) Statement of compliance (cont'd)*****MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

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

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

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

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

- from the annual period beginning on 1 January 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 January 2027 for the accounting standard that is effective for annual periods beginning on or after 1 January 2027.

The initial application of the abovementioned accounting standards, amendments and interpretations is not expected to have any material financial impact to the current period and prior period financial statements of the Group and of the Company.

**(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

<b>Items</b>	<b>Measurement bases</b>
Derivative financial instruments	Fair value
Non-derivative financial instruments at FVTPL	Fair value
Debt and equity securities at FVOCI	Fair value
Contingent consideration in a business combination	Fair value

**(c) Functional and presentation currency**

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

## Notes to the Financial Statements

### 1. BASIS OF PREPARATION (CONT'D)

#### (d) Use of estimates and judgements

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

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

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

- Note 6 - measurement of the recoverable amounts of cash-generating units
- Note 11 - measurement of deferred tax assets and liabilities
- Note 17 - provisions

### 2. MATERIAL ACCOUNTING POLICIES

#### 2.1 Global minimum top-up tax

The Group has adopted the amendments to MFRS 112, *Income Taxes – International Tax Reform – Pillar Two Model Rules* upon their release on 2 June 2023. The amendments provide a temporary mandatory relief from deferred tax accounting for the top-up tax, which is effective immediately, and require new disclosures about the Pillar Two exposure (see Note 11).

The temporary mandatory relief applies retrospectively. However, there was no new legislation enacted or substantively enacted to implement the top-up tax on 31 December 2024 in the jurisdictions in which the Group operates. The retrospective application has no impact on the Group's consolidated financial statements.

## Notes to the Financial Statements

## 3. PROPERTY, PLANT AND EQUIPMENT

Group	Land RM'000	Mine, conveying, refining and port facilities RM'000	Buildings renovation and RM'000	Plant and machinery RM'000	Office equipment RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Moulds and dies RM'000	Capital work-in- progress RM'000	Total RM'000
<b>Cost</b>										
At 1 January 2023	28,105	900,296	2,311,167	6,506,917	98,183	129,091	27,726	242,721	125,936	10,370,142
Additions	-	-	60,924	392,966	4,274	6,848	2,324	16,176	215,206	698,718
Borrowing costs capitalised at 3% to 4.89% per annum	-	-	-	-	-	-	-	-	2,907	2,907
Disposals	-	(9,608)	(3,803)	(17,886)	(260)	(1,282)	(23)	-	(109)	(32,971)
Disposal of subsidiaries	-	-	(78,522)	(47,453)	(3,575)	(528)	(10)	-	-	(130,088)
Written off	-	-	-	(43,685)	(1,137)	(2,601)	(365)	(13,458)	(138)	(61,384)
Remeasurement of provision for restoration and rehabilitation (Note 17)	-	(32,730)	-	-	-	-	-	-	-	(32,730)
Transfers	-	17,772	2,276	72,687	825	-	3,216	-	(96,776)	-
Transfer from right-of-use assets (Note 4)	-	-	-	13,965	48	16,017	-	-	-	30,030
Effect of movements in exchange rates	138	67,081	5,866	7,666	773	97	225	5,136	1,934	88,916
At 31 December 2023	28,243	942,811	2,297,908	6,885,177	99,131	147,642	33,093	250,575	248,960	10,933,540

## Notes to the Financial Statements

## 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Land RM'000	Mine, conveying, refining and port facilities RM'000	Buildings and renovation RM'000	Plant and machinery RM'000	Office equipment RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Moulds and dies RM'000	Capital work-in- progress RM'000	Total RM'000
<b>Cost (cont'd)</b>										
At 1 January 2024	28,243	942,811	2,297,908	6,885,177	99,131	147,642	33,093	250,575	248,960	10,933,540
Additions	-	-	65,268	457,960	9,207	15,071	2,354	12,678	204,427	766,965
Acquisition through business combination (Note 32.1)	6,900	-	12,365	10,350	152	445	-	999	-	31,211
Disposals	-	(86)	(4,490)	(4,141)	(498)	(1,656)	(969)	(42)	-	(11,882)
Written off (Note 3.2)	-	(5,698)	(1,091)	(246,730)	(5,834)	(6,525)	(287)	(22,466)	-	(288,631)
Transfers	-	(27,550)	80,330	199,254	2,150	(20,085)	(69)	-	(234,030)	-
Transfer from right-of-use assets (Note 4)	-	-	-	3,177	-	7,944	-	-	-	11,121
Effect of movements in exchange rates	(328)	(160,476)	(9,885)	(16,370)	(1,527)	(280)	(226)	(12,132)	(4,584)	(205,808)
At 31 December 2024	34,815	749,001	2,440,405	7,288,677	102,781	142,556	33,896	229,612	214,773	11,236,516

## Notes to the Financial Statements

## 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Land RM'000	Mine, conveying, refining and port facilities RM'000	Buildings and renovation RM'000	Plant and machinery RM'000	Office equipment RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Moulds and dies RM'000	Capital work-in- progress RM'000	Total RM'000
Depreciation and impairment loss At 1 January 2023	-	136,919	415,772	2,217,512	47,803	91,427	11,273	225,231	-	3,145,937
Accumulated depreciation	-	-	39,294	17,255	2,633	138	-	-	-	59,320
Accumulated impairment loss	-	136,919	455,066	2,234,767	50,436	91,565	11,273	225,231	-	3,205,257
Depreciation for the year	-	38,056	52,267	528,869	10,005	9,260	2,724	13,730	-	654,911
Disposals	-	(8,892)	(3,286)	(15,436)	(229)	(2,356)	(21)	-	-	(30,220)
Disposal of subsidiaries	-	-	(78,522)	(42,517)	(3,586)	(528)	(10)	-	-	(125,163)
Written off	-	-	-	(27,801)	(1,005)	(2,062)	(357)	(10,043)	-	(41,268)
Transfer from right-of-use assets (Note 4)	-	-	-	3,421	25	4,402	-	-	-	7,848
Effect of movements in exchange rates	-	33,135	3,342	4,250	491	80	107	4,938	-	46,343
At 31 December 2023	-	199,218	428,867	2,685,553	56,137	100,361	13,716	233,856	-	3,717,708

## Notes to the Financial Statements

## 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Land RM'000	Mine, conveying, refining and port facilities RM'000	Buildings and renovation RM'000	Plant and machinery RM'000	Office equipment RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Moulds and dies RM'000	Capital work-in- progress RM'000	Total RM'000
<b>Depreciation and impairment loss (cont'd)</b>										
At 1 January 2024	-	199,218	428,867	2,685,553	56,137	100,361	13,716	233,856	-	3,717,708
Depreciation for the year	-	37,970	68,082	592,408	8,620	9,943	2,848	11,603	-	731,474
Disposals	-	(46)	(987)	(3,542)	(333)	(1,609)	(201)	(29)	-	(6,747)
Written off (Note 3.2)	-	-	(465)	(104,074)	(1,762)	(5,110)	(212)	(18,422)	-	(130,045)
Transfer from right-of-use assets (Note 4)	-	-	-	216	-	3,480	-	-	-	3,696
Effect of movements in exchange rates	-	(82,525)	(4,736)	(8,725)	(1,046)	(165)	(106)	(11,777)	-	(109,080)
At 31 December 2024	-	154,617	490,761	3,161,836	61,616	106,900	16,045	215,231	-	4,207,006
<b>Carrying amounts</b>										
At 1 January 2023	28,105	763,377	1,856,101	4,272,150	47,747	37,526	16,453	17,490	125,936	7,164,885
At 31 December 2023/ 1 January 2024	28,243	743,593	1,869,041	4,199,624	42,994	47,281	19,377	16,719	248,960	7,215,832
At 31 December 2024	34,815	594,384	1,949,644	4,126,841	41,165	35,656	17,851	14,381	214,773	7,029,510

## Notes to the Financial Statements

**3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

Company	Capital work-in-progress RM'000	Office equipment RM'000	Motor vehicle RM'000	Total RM'000
<b>Cost</b>				
At 1 January 2023/31 December 2023/ 1 January 2024	2,431	141	45	2,617
Additions	4,784	-	-	4,784
At 31 December 2024	7,215	141	45	7,401
<b>Depreciation</b>				
At 1 January 2023	-	12	40	52
Depreciation for the year	-	5	5	10
At 31 December 2023/1 January 2024	-	17	45	62
Depreciation for the year	-	14	-	14
At 31 December 2024	-	31	45	76
<b>Carrying amounts</b>				
At 1 January 2023	-	26	5	31
At 31 December 2023/1 January 2024	2,431	124	-	2,555
At 31 December 2024	7,215	110	-	7,325

**3.1 Security**

At 31 December 2024, property, plant and equipment of the Group with an aggregate carrying amount of RM46,307,000 (2023: RM50,896,000) was pledged as security and as fixed and floating charges to secure bank facilities granted to its subsidiaries (see Note 16).

**3.2 Write off**

During the financial year, the group recognised a total written off expenses of property, plant and machineries amounting to RM158,586,000 of which RM129,748,000 were related to the damaged plant and machineries of Press Metal Bintulu Sdn. Bhd. arising from the fire incident (see Note 34.2).

**3.3 Material accounting policy information****(a) Recognition and measurement**

Freehold land and capital work-in-progress are measured at cost. Other items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

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

**(b) Depreciation**

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

## Notes to the Financial Statements

## 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

## 3.3 Material accounting policy information (cont'd)

## (b) Depreciation (cont'd)

The estimated useful lives for the current and comparative periods are as follows:

• mine, conveying, refining and port facilities	4 - 40 years
• buildings and renovation	10 - 50 years
• plant and machinery	5 - 25 years
• office equipment	10 years
• motor vehicles	5 - 10 years
• furniture and fittings	10 years
• moulds and dies	3 - 6 years

## 4. RIGHT-OF-USE ASSETS

Group	Land RM'000	Buildings RM'000	Plant, machinery, office equipment, and motor vehicles RM'000	Multi-fuel cogeneration facility RM'000	Total RM'000
At 1 January 2023	268,793	18,432	61,791	172,468	521,484
Additions	177	24,176	6,899	-	31,252
Depreciation	(6,208)	(10,011)	(4,588)	(9,519)	(30,326)
Derecognition*	-	(32)	(21,304)	-	(21,336)
Disposals	-	-	(640)	-	(640)
Disposal of subsidiaries	(7,782)	-	-	-	(7,782)
Transfer to property, plant and equipment (Note 3)	-	-	(22,182)	-	(22,182)
Effect of movements in exchange rates	2,932	902	202	7,057	11,093
At 31 December 2023/ 1 January 2024	<b>257,912</b>	<b>33,467</b>	<b>20,178</b>	<b>170,006</b>	<b>481,563</b>
Additions	<b>9,821</b>	<b>8,467</b>	<b>2,499</b>	<b>22,773</b>	<b>43,560</b>
Acquisition through business combination (Note 32.1)	-	-	<b>3,177</b>	-	<b>3,177</b>
Depreciation	<b>(6,309)</b>	<b>(9,553)</b>	<b>(4,259)</b>	<b>(11,743)</b>	<b>(31,864)</b>
Derecognition*	<b>(6)</b>	<b>(277)</b>	<b>(215)</b>	-	<b>(498)</b>
Transfer to property, plant and equipment (Note 3)	-	-	<b>(7,425)</b>	-	<b>(7,425)</b>
Effect of movements in exchange rates	<b>(4,323)</b>	<b>(2,150)</b>	<b>(118)</b>	<b>(17,300)</b>	<b>(23,891)</b>
At 31 December 2024	<b>257,095</b>	<b>29,954</b>	<b>13,837</b>	<b>163,736</b>	<b>464,622</b>

\* Derecognition of the right-of-use assets was a result of early termination of certain lease arrangements.

## Notes to the Financial Statements

### 4. RIGHT-OF-USE ASSETS (CONT'D)

The Group leases a number of properties, machinery and facility that run between 1 year and 25 years and in some cases, with an option to renew the lease after that date.

#### 4.1 Extension options

Some leases of buildings contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where applicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

The extension options of all leases are currently included in the lease term as the Group assessed that it is reasonably certain to exercise the extension options, which is supported by the high historical rate of extensions exercised by the Group. Hence, as at 31 December 2024 and 31 December 2023, there were no potential future lease payments not included in lease liabilities.

#### 4.2 Judgements and assumptions in relation to leases

The Group assesses at lease commencement by applying judgement whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

#### 4.3 Material accounting policy information

##### (a) Lease and non-lease components

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

##### (b) Recognition exemption

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

## Notes to the Financial Statements

## 5. INVESTMENT PROPERTIES

	Group RM'000
<b>Cost</b>	
At 1 January 2023	70,474
Disposal	(3,252)
Effect of movements in exchange rates	1,054
At 31 December 2023/1 January 2024	<b>68,276</b>
Additions	<b>53</b>
Acquisition through business combination (Note 32.1)	<b>1,429</b>
Disposal	<b>(515)</b>
Effect of movements in exchange rates	<b>(2,536)</b>
At 31 December 2024	<b>66,707</b>
<b>Depreciation and impairment loss</b>	
At 1 January 2023	
Accumulated depreciation	17,469
Accumulated impairment loss	200
	17,669
Depreciation for the year	1,558
Disposal	(447)
Effect of movements in exchange rates	315
At 31 December 2023/1 January 2024	
Accumulated depreciation	<b>18,895</b>
Accumulated impairment loss	<b>200</b>
	<b>19,095</b>
Depreciation for the year	<b>1,582</b>
Effect of movements in exchange rates	<b>(842)</b>
At 31 December 2024	
Accumulated depreciation	<b>19,635</b>
Accumulated impairment loss	<b>200</b>
	<b>19,835</b>
<b>Carrying amounts</b>	
At 1 January 2023	52,805
At 31 December 2023/1 January 2024	49,181
At 31 December 2024	<b>46,872</b>

## Notes to the Financial Statements

**5. INVESTMENT PROPERTIES (CONT'D)**

	Group	
	2024 RM'000	2023 RM'000
Included in the above are:		
Land leased	30,846	33,520
Buildings	16,026	15,661
	<b>46,872</b>	<b>49,181</b>

Investment properties comprise land and a number of residential properties and commercial properties that are leased to third parties or are currently vacant.

Investment properties of the Group amounting to RM4,853,000 (2023: RM4,967,000) have been charged to secure banking facilities granted to the Group (see Note 16).

The following are recognised in profit or loss in respect of investment properties:

	Group	
	2024 RM'000	2023 RM'000
Lease income	3,175	2,262
Direct operating expenses:		
- income generating investment properties	(1,565)	(1,552)
- non-income generating investment properties	(502)	(406)

**Fair value information**

Fair value of investment properties is categorised as follows:

	Group	
	2024 RM'000	2023 RM'000
<b>Level 3</b>		
Land	56,403	104,460
Buildings	20,976	20,616
	<b>77,379</b>	<b>125,076</b>

**Valuation process applied by the Group for Level 3 fair value**

The fair value of investment properties is estimated by the Directors using the comparison method. The comparison method entails critical analyses of recent evidences of values of comparable properties in the neighbourhood and making adjustment for differences such as differences in location, size and shape of land, age and condition of building, tenure, title restrictions, if any, and other relevant characteristics.

**5.1 Material accounting policy information**

Investment properties are initially and subsequently measured at cost and are accounted for similarly to property, plant and equipment.

## Notes to the Financial Statements

## 6. INTANGIBLE ASSETS

Group	Goodwill RM'000	Others RM'000	Total RM'000
<b>Cost</b>			
At 1 January 2023	70,796	650	71,446
Effect of movements in exchange rates	314	32	346
At 31 December 2023/1 January 2024	<b>71,110</b>	<b>682</b>	<b>71,792</b>
Effect of movements in exchange rates	<b>(498)</b>	<b>(76)</b>	<b>(574)</b>
At 31 December 2024	<b>70,612</b>	<b>606</b>	<b>71,218</b>
<b>Amortisation and impairment loss</b>			
At 1 January 2023			
Accumulated amortisation	-	408	408
Accumulated impairment loss	4,131	-	4,131
	4,131	408	4,539
Amortisation for the year	-	116	116
Effect of movements in exchange rates	-	26	26
At 31 December 2023/1 January 2024			
Accumulated amortisation	-	550	550
Accumulated impairment loss	4,131	-	4,131
	4,131	550	4,681
Amortisation for the year	-	100	100
Effect of movements in exchange rates		(68)	(68)
At 31 December 2024			
Accumulated amortisation	-	<b>582</b>	<b>582</b>
Accumulated impairment loss	<b>4,131</b>	-	<b>4,131</b>
	<b>4,131</b>	<b>582</b>	<b>4,713</b>
<b>Carrying amounts</b>			
At 1 January 2023	66,665	242	66,907
At 31 December 2023/1 January 2024	66,979	132	67,111
At 31 December 2024	<b>66,481</b>	<b>24</b>	<b>66,505</b>

## Notes to the Financial Statements

**6. INTANGIBLE ASSETS (CONT'D)****6.1 Impairment testing for cash-generating units containing goodwill**

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

	Group	
	2024 RM'000	2023 RM'000
Press Metal International Limited	9,219	9,219
Press Metal Aluminium Rods Sdn. Bhd.	28,628	28,628
Japan Alumina Associates (Australia) Pty. Ltd.	7,493	7,991
	<b>45,340</b>	45,838
Multiple units without significant goodwill	21,141	21,141
	<b>66,481</b>	66,979

The recoverable amount of each unit was based on its value in use.

Value in use was determined by discounting the future cash flows expected to be generated from the continuing use of the units and was based on the following key assumptions:

- Cash flows were projected based on past experience, actual operating results and a 5-year business plan. A terminal growth rate of 2% (2023: 2%) was then applied. Management believes that this terminal growth rate was justified due to the long-term nature of the aluminium business.
- The anticipated annual revenue growth included in the cash flow projections was between 1% to 3% (2023: 1% to 3%), which is lower than the average growth rate experienced in the past 3 years.
- The aluminium price was assumed to be similar to the average prices for the current financial year.
- Cost growth, based on past experience, was estimated to be between 1% to 3% (2023: 1% to 3%), which is in line with revenue growth.
- Pre-tax discount rates of 8% - 10% (2023: 8% - 10%) were applied in determining the recoverable amount of the units. The discount rates were estimated based on an industry weighted average cost of capital.

The values assigned to the key assumptions represent management's assessment of future trends in the aluminium industry and are based on both external sources and internal sources (historical data).

The above estimates are not particularly sensitive in any areas.

**6.2 Material accounting policy information****(a) Recognition and measurement**

Intangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**(b) Amortisation**

Amortisation is recognised in profit or loss as other expenses on a straight-line basis over the estimated useful lives of intangible assets. The estimated useful life for the current and comparative periods for other intangible assets is 7 years.

## Notes to the Financial Statements

## 7. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Cost of investment	1,946,967	1,946,967
Less: Impairment loss	(749,733)	(749,733)
	<b>1,197,234</b>	1,197,234

Details of the subsidiaries are as follows:

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
<b>Direct subsidiaries of the Company:</b>				
Press Metal Bintulu Sdn. Bhd. ("PMBTU")	Malaysia	Manufacturing and trading of aluminium products and marketing of share of alumina produced	80.0	80.0
Press Metal Sarawak Sdn. Bhd. ("PMS")	Malaysia	Manufacturing and trading of aluminium products	80.0	80.0
Press Metal (Labuan) Ltd. ("PMLL")	Malaysia	Investment holding	100.0	100.0
PMIM Extrusion Sdn. Bhd. ("PMIM")	Malaysia	Investment holding	100.0	100.0
Angkasa Jasa Sdn. Bhd. ("AJSB")	Malaysia	Contracting and fabrication of aluminium and stainless steel products	100.0	100.0
Press Metal (HK) Limited ("PMHK")*	Hong Kong	Investment holding	100.0	100.0
Press Metal International Resources (HK) Limited ("PMIRHK")*®	Hong Kong	Investment holding and trading activities	100.0	-
<b>Direct subsidiary of PMBTU:</b>				
Press Metal Aluminium Rods Sdn. Bhd. ("PMAR")	Malaysia	Manufacturing and trading of aluminium products	80.0	80.0
<b>Direct subsidiary of PMIM:</b>				
Press Metal Berhad ("PMB")	Malaysia	Trading of aluminium products and investment holding	100.0	100.0

## Notes to the Financial Statements

## 7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows: (cont'd)

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
<b>Direct subsidiary of PMHK:</b>				
Press Metal International Limited ("PMI")**	China	Manufacturing and trading of aluminium products and investment holding	89.1	88.3
<b>Direct subsidiary of PMIRHK:</b>				
PT Kalimantan Alumina Nusantara ("PTKAN")**^	Indonesia	The intended principal activity is manufacturing and trading of alumina. The plant is still under construction during the financial year	80.0	-
<b>Direct subsidiaries of PMI:</b>				
Press Metal International Technology Ltd. ("PMIT")**	China	Manufacturing and trading of aluminium products	89.1	88.3
Press Metal Precision Technology Co. Ltd.**	China	Manufacturing and trading of aluminium products	89.1	88.3
Press Metal International (HK) Limited ("PMIHK")**	Hong Kong	Investment holding	89.1	88.3
Foshan Baiwen New Energy Co., Ltd.**	China	Marketing and trading of photovoltaic generation system and supply of electricity	89.1	88.3
<b>Direct subsidiaries of PMIHK:</b>				
Press Metal UK Limited ("PMUK")**	United Kingdom	Marketing of aluminium products	89.1	88.3
PMB Aluminium Sdn. Bhd. ("PMBA")#	Malaysia	Manufacturing and trading of aluminium products and investment holding	89.1	88.3
<b>Direct subsidiaries of PMUK:</b>				
Press Metal Aluminium (Australia) Pty. Ltd.**	Australia	Marketing of aluminium products	89.1	88.3
Press Metal North America Inc.**	United States of America	Marketing of aluminium products	89.1	88.3

## Notes to the Financial Statements

## 7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows: (cont'd)

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
<b>Direct subsidiaries of PMBA:</b>				
PMB Central Sdn. Bhd. <sup>#</sup>	Malaysia	Marketing of gypsum boards, aluminium extrusion and other related products	89.1	88.3
PMB Northern Sdn. Bhd. <sup>#</sup>	Malaysia	Marketing of aluminium and other related products	89.1	88.3
PMB Eastern Sdn. Bhd. <sup>#</sup>	Malaysia	Marketing of gypsum boards and other related products	89.1	88.3
PMB Aluminium Sabah Sdn. Bhd. <sup>#</sup>	Malaysia	Marketing of all types of aluminium sections, gypsum boards and other related products	89.1	88.3
Press Metal PV (Sarawak) Sdn. Bhd. (formerly known as PMBA (Sarawak) Sdn. Bhd.) <sup>#%</sup>	Malaysia	Dormant	89.1	-
<b>Direct subsidiaries of PMB:</b>				
PMB Development Sdn. Bhd. and its subsidiary,	Malaysia	Dormant	100.0	100.0
PMB Spectrum Sdn. Bhd. ("PMBS")	Malaysia	Under Members' Voluntary winding up	60.0	60.0
Wesama Sdn. Bhd. and its subsidiary,	Malaysia	Investment holding	100.0	100.0
Ace Extrusion Sdn. Bhd. <sup>^^</sup>	Malaysia	Dissolved	-	100.0
PT Press Metal Indonesia*	Indonesia	Dormant	100.0	100.0
Everpress Aluminium Industries Sdn. Bhd. ("EVERPRESS") <sup>*&amp;</sup>	Malaysia	Investment holding	100.0	-

## Notes to the Financial Statements

## 7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows: (cont'd)

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
<b>Direct subsidiaries of EVERPRESS:</b>				
Centpro International Trading Co., Ltd. ("CENTPRO")* <sup>&amp;</sup>	China	Importing and exporting of raw materials, machineries, spare parts and other related products	100.0	-
Changde Centpro Trading Co., Ltd. ("CHANGDE")* <sup>&amp;</sup>	China	Importing and exporting of raw materials, machineries, spare parts and other related products	100.0	-

\* Not audited by KPMG PLT.

# In December 2024, the Group, via its wholly-owned subsidiary, Press Metal (HK) Limited effectively acquired 0.8% equity interest in a subsidiary, Press Metal International Limited ("PMI") for a total cash consideration of RMB6,331,000 (equivalent to approximately RM3,885,000), increasing its ownership in PMI and its direct subsidiaries ("collectively known as PMI subgroup") from 88.3% to 89.1%.

© In May 2024, the Group incorporated a wholly-owned subsidiary known as Press Metal International Resources (HK) Limited with an authorised share capital of HKD100 divided into 100 ordinary shares of HKD1 each. The total issued and paid-up share capital was HKD100 comprising 100 ordinary shares of HKD1 each.

% In May 2024, PMB Aluminium Sdn. Bhd. incorporated a wholly-owned subsidiary known as PMBA (Sarawak) Sdn. Bhd. with a total issued and paid-up share capital of RM2 comprising 2 ordinary shares of RM1 each.

^ In October 2024, Press Metal International Resources (HK) Limited completed the acquisition of 80% equity interest in PT Kalimantan Alumina Nusantara ("PTKAN"), based on the share subscription agreement ("SSA") and the shareholders' agreement ("SHA") entered with PT Alakasa Alumina Refineri ("AAR") and PT Dinamika Sejahtera Mandiri ("DSM").

& In January 2024, Press Metal Berhad completed the acquisition of entire equity interest in Everpress Aluminium Industries Sdn. Bhd. for a total cash consideration of RM5,000,000, effectively gaining ownership in its direct subsidiaries, Centpro International Trading Co., Ltd. and Changde Centpro Trading Co., Ltd..

^^ In July 2024, Ace Extrusion Sdn. Bhd. received a notice pursuant to Section 551(3) of the Companies Act 2016 from the Companies Commission of Malaysia ("CCM") that its name had been struck-off from the registrar of companies of CCM.

## Notes to the Financial Statements

## 7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

## 7.1 Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	Press Metal Sarawak Sdn. Bhd. RM'000	Press Metal Bintulu Sdn. Bhd. RM'000	Press Metal International Limited RM'000	PT Kalimantan Alumina Nusantara RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
<b>2024</b>						
NCI percentage of ownership interest and voting interest	20.0%	20.0%	10.9%	20.0%		
Carrying amount of NCI	278,484	1,382,802	58,865	67,369	41,432	1,828,952
Profit allocated to NCI	30,100	322,393	206	1,729	4,582	359,010
<b>Summarised financial information before intra-group elimination</b>						
<b>As at 31 December</b>						
Non-current assets	671,530	6,560,098	576,268	749		
Current assets	925,178	4,406,288	559,448	338,268		
Non-current liabilities	(93,102)	(1,482,132)	(64,394)	(75)		
Current liabilities	(111,188)	(2,570,244)	(530,284)	(2,094)		
Net assets	1,392,418	6,914,010	541,038	336,848		
<b>Year ended 31 December</b>						
Revenue	1,408,259	11,023,575	955,193	-		
Profit for the year	150,500	1,611,965	1,897	8,645		
Total comprehensive income	179,995	2,063,296	(14,817)	183		
Cash flows from operating activities	129,247	1,288,016	(22,685)	4,520		
Cash flows from investing activities	(68,918)	(495,390)	(37,672)	(105,487)		
Cash flows from financing activities	(49,323)	(741,338)	71,694	328,848		
Net assets	11,006	51,288	11,337	227,881		
Dividends paid to NCI	9,600	134,400	993	-		

## Notes to the Financial Statements

**7. INVESTMENTS IN SUBSIDIARIES (CONT'D)****7.1 Non-controlling interests in subsidiaries (cont'd)**

	2023				Total RM'000
	Press Metal Sarawak Sdn. Bhd. RM'000	Press Metal Bintulu Sdn. Bhd. RM'000	Press Metal International Limited RM'000	Other subsidiaries with immaterial NCI RM'000	
NCI percentage of ownership interest and voting interest	20.0%	20.0%	11.7%		
Carrying amount of NCI	252,085	1,104,543	67,655	38,956	1,463,239
Profit allocated to NCI	19,178	269,091	1,752	12,703	302,724
<b>Summarised financial information before intra-group elimination</b>					
<b>As at 31 December</b>					
Non-current assets	640,206	6,453,829	626,889		
Current assets	854,023	4,302,735	461,607		
Non-current liabilities	(102,166)	(2,184,125)	(71,614)		
Current liabilities	(131,639)	(3,049,725)	(440,116)		
Net assets	1,260,424	5,522,714	576,766		
<b>Year ended 31 December</b>					
Revenue	1,353,450	10,366,544	872,059		
Profit for the year	95,891	1,345,457	14,935		
Total comprehensive income	59,023	1,100,173	-		
Cash flows from operating activities	126,713	2,861,699	95,793		
Cash flows from investing activities	(27,341)	(493,731)	(129,021)		
Cash flows from financing activities	(73,017)	(1,887,471)	43,349		
Net increase in cash and cash equivalents	26,355	480,497	10,121		
Dividends paid to NCI	14,200	158,900	-		

**7.2 Material accounting policy information**

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution.

## Notes to the Financial Statements

## 8. INVESTMENTS IN ASSOCIATES

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Investments in:					
- Quoted shares	8.1	174,768	102,870	174,768	102,870
- Unquoted shares	8.2	1,342,240	1,261,837	-	1,229,397
Share of post-acquisition reserves		484,029	471,683	-	-
Group's share of net assets		2,001,037	1,836,390	174,768	1,332,267
Level 1 fair value of quoted instruments:					
- Quoted shares		750,874	1,049,223	750,874	1,049,223

## 8.1 Quoted shares

In September 2024, PMB Technology Berhad ("PMBT") had proposed and issued a private placement of up to 2% of the total number of issued shares of PMBT, of which the Company had not subscribed to, bringing down the Company's overall equity investment in PMBT to 23.2%

In November 2024, the Company subscribed in full its 23.2% entitlement on the Rights Issue of ordinary shares issued by PMBT for a total cash consideration of RM71,898,000.

## 8.2 Unquoted shares

In August 2024, the Group had entered into a share swap exercise, exchanging its 25% equity interest in PT Bintan Alumina Indonesia for a 25.59% equity interest in a Hong Kong firm, Nanshan Aluminium International Holdings Limited ("NAIHL"). As 31 December 2024, the total investment in NAIHL amounted to RM1,309,800,000.

## 8.3 Security

At 31 December 2024, 3,856,033 shares (2023: 3,856,033 shares) of an associate with cost of investment of RM1,309,800,000 (2023: RM1,229,397,000) were pledged as security to secure bank facilities granted to the Company (see Note 16).

## 8.4 Material accounting policy information

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

Details of the material associates are as follows:

Name of entity	Principal place of business/ Country of incorporation	Nature of the relationship	Effective ownership interest and voting interest	
			2024 %	2023 %
PMB Technology Berhad ("PMBT")	Malaysia	Trading of aluminium products with the Group	23	24
Shandong Sunstone & PMB Carbon Ltd., Co. ("Sunstone")	China	Manufacturing of pre-baked carbon anodes for consumption of the Group	20	20
PT Bintan Alumina Indonesia ("PT BAI")	Indonesia	Manufacturing of alumina for consumption of the Group	-	25
Nanshan Aluminium International Holdings Limited ("NAIHL")	Hong Kong	Investment holding and trading of alumina with the Group	26	-

## Notes to the Financial Statements

**8. INVESTMENTS IN ASSOCIATES (CONT'D)**

The following table summarises the information of the Group's material associates, adjusted for any differences in accounting policies and reconciles the summarised financial information to the carrying amount of the Group's interest in the associates.

	2024				Total RM'000
	PMBT RM'000	Sunstone RM'000	PT BAI RM'000	NAIHL RM'000	
<b>Summarised financial information</b>					
<b>As at 31 December</b>					
Non-current assets	1,508,646	333,503	-	4,594,741	
Current assets	925,570	375,659	-	2,959,547	
Non-current liabilities	(291,905)	(12,976)	-	(134,424)	
Current liabilities	(760,496)	(423,265)	-	(1,587,771)	
Net assets	1,381,815	272,921	-	5,832,093	
<b>Year ended 31 December</b>					
Total profit for the year	61,134	40,416	763,146	1,373,701	
Total other comprehensive income/(expense) for the year	4,701	-	-	(298,637)	
<b>Included in the total comprehensive income is:</b>					
Revenue	902,352	843,725	1,854,782	2,717,297	
<b>Reconciliation of net assets to carrying amount as at 31 December</b>					
Group's share of net assets	321,461	54,584	-	1,492,433	
Elimination of unrealised (profit)/loss	(9,310)	6,981	-	(27,131)	
Goodwill	-	-	-	139,318	
Elimination of withholding tax	-	-	-	47,015	
Others	(20,831)	-	-	(3,483)	
Carrying amount in the statement of financial position	291,320	61,565	-	1,648,152	2,001,037
<b>Group's share of results for the year ended 31 December</b>					
Group's share of profit	14,202	6,805	186,741	351,530	559,278
Group's share of other comprehensive income/ (expense)	1,336	-	-	(130,664)	(129,328)
Group's share of total comprehensive income	15,538	6,805	186,741	220,866	429,950
<b>Other information</b>					
Dividends received and receivable by the Group	-	-	119,831	297,773	417,604

## Notes to the Financial Statements

## 8. INVESTMENTS IN ASSOCIATES (CONT'D)

	2023			Total RM'000
	PMBT RM'000	Sunstone RM'000	PT BAI RM'000	
<b>Summarised financial information</b>				
<b>As at 31 December</b>				
Non-current assets	1,324,242	347,336	4,481,163	
Current assets	789,286	396,134	2,128,687	
Non-current liabilities	(390,250)	(18,408)	(1,089)	
Current liabilities	(768,567)	(441,185)	(352,253)	
Net assets	954,711	283,877	6,256,508	
<b>Year ended 31 December</b>				
Total profit/(loss) for the year	45,161	(31,072)	871,843	
Total other comprehensive (expense)/income for the year	(10,134)	-	62,876	
<b>Included in the total comprehensive income is:</b>				
Revenue	989,589	974,108	2,989,353	
<b>Reconciliation of net assets to carrying amount as at 31 December</b>				
Group's share of net assets	228,840	56,775	1,564,127	
Elimination of unrealised profit	(4,242)	(2,015)	(15,719)	
Others	(20,714)	-	29,338	
Carrying amount in the statement of financial position	203,884	54,760	1,577,746	1,836,390
<b>Group's share of results for the year ended 31 December</b>				
Group's share of profit	10,366	(5,252)	202,242	207,356
Group's share of other comprehensive (expense)/income	(3,607)	-	15,719	12,112
Group's share of total comprehensive income	6,759	(5,252)	217,961	219,468
<b>Other information</b>				
Dividends received by the Group	-	7,780	43,470	51,250

## 9. OTHER INVESTMENTS

	Group	
	2024 RM'000	2023 RM'000
<b>Non-current</b>		
Unquoted shares		
Fair value through profit or loss	1,803	1,803

## Notes to the Financial Statements

## 10. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

	Nominal value RM'000	Assets RM'000	Liabilities RM'000
<b>Group</b>			
<b>2024</b>			
<b>Non-current</b>			
Commodity swaps and options	6,906,806	123,108	(8,365)
Forward exchange contracts	10,551,390	305,952	(9,350)
Cross currency swaps	1,200,000	17,726	(4,507)
	<b>18,658,196</b>	<b>446,786</b>	<b>(22,222)</b>
<b>Current</b>			
Commodity swaps and options	3,902,665	93,424	(7,971)
Forward exchange contracts	3,627,337	15,327	(49,411)
Cross currency swaps	700,000	-	(34,713)
	<b>8,230,002</b>	<b>108,751</b>	<b>(92,095)</b>
Derivatives held for trading at fair value through profit or loss	803,881	602	(35,532)
Derivatives used for hedging	26,084,317	554,935	(78,785)
	<b>26,888,198</b>	<b>555,537</b>	<b>(114,317)</b>
<b>2023</b>			
<b>Non-current</b>			
Commodity swaps and options	2,241,123	21,062	(75,291)
Forward exchange contracts	12,318,977	34,760	(162,371)
Cross currency swaps	1,835,000	2,245	(61,422)
	<b>16,395,100</b>	<b>58,067</b>	<b>(299,084)</b>
<b>Current</b>			
Commodity swaps and options	1,826,766	155,270	(15,659)
Forward exchange contracts	4,211,929	13,071	(88,110)
Cross currency swaps	550,000	-	(36,430)
	<b>6,588,695</b>	<b>168,341</b>	<b>(140,199)</b>
Derivatives held for trading at fair value through profit or loss	77,209	302	(907)
Derivatives used for hedging	22,906,586	226,106	(438,376)
	<b>22,983,795</b>	<b>226,408</b>	<b>(439,283)</b>

## Notes to the Financial Statements

## 10. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (CONT'D)

	Nominal value RM'000	Assets RM'000	Liabilities RM'000
<b>Company</b>			
<b>2024</b>			
<b>Non-current</b>			
Cross currency swaps	450,000	11,191	(3,952)
<b>Current</b>			
Cross currency swaps	500,000	-	(24,869)
Derivatives held for trading at fair value through profit or loss	500,000	-	(24,869)
Derivatives used for hedging	450,000	11,191	(3,952)
	950,000	11,191	(28,821)
<b>2023</b>			
<b>Non-current</b>			
Cross currency swaps	950,000	2,036	(34,815)
<b>Current</b>			
Commodity swaps and options	550,000	-	(36,430)
Derivatives used for hedging	1,500,000	2,036	(71,245)

Commodity swaps and options are used to lock in aluminium prices for future sales while forward exchange contracts are used to manage the foreign currency exposures arising from the monetary assets and liabilities denominated in currencies other than the functional currencies of Group entities. Some of the derivative contracts have maturities of more than five years after the end of the reporting period. Where necessary, the derivatives are rolled over at maturity.

The Group and the Company also entered into cross currency swaps to swap their RM denominated loan to USD. The swap was performed to manage the Group's exposure to USD and RM within the Group's policy.

## Notes to the Financial Statements

**11. DEFERRED TAX ASSETS/(LIABILITIES)****Recognised deferred tax assets/(liabilities)**

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Group</b>						
Property, plant and equipment	44	32	(566,915)	(511,419)	(566,871)	(511,387)
Right-of-use assets	-	-	(69,364)	(64,700)	(69,364)	(64,700)
Lease liabilities	72,711	69,894	-	-	72,711	69,894
Provisions	51,715	55,886	-	-	51,715	55,886
Capital allowance carry-forwards	9,516	407	-	-	9,516	407
Unutilised tax losses	2,014	3,509	-	-	2,014	3,509
Investment tax allowance carry-forwards	5,188	487	-	-	5,188	487
Derivatives	6,325	31,706	(56,695)	(891)	(50,370)	30,815
Other items	377	315	(61,869)	(51,894)	(61,492)	(51,579)
Tax assets/(liabilities)	147,890	162,236	(754,843)	(628,904)	(606,953)	(466,668)
Set off of tax	(137,097)	(141,243)	137,097	141,243	-	-
Net tax assets/(liabilities)	10,793	20,993	(617,746)	(487,661)	(606,953)	(466,668)
<b>Company</b>						
Provisions	1,913	1,509	-	-	1,913	1,509
Derivatives	4,231	16,610	-	-	4,231	16,610
Other items	44	32	-	-	44	32
Tax assets/(liabilities)	6,188	18,151	-	-	6,188	18,151
Set off of tax	-	-	-	-	-	-
Net tax assets/(liabilities)	6,188	18,151	-	-	6,188	18,151

## Notes to the Financial Statements

## 11. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

## Movement in temporary differences during the year

Group	At 1.1.2023		Recognised in profit or loss (Note 23)		Recognised in other comprehensive income (expenses)/ (Note 24)		Effect of exchange rates in		At 31.12.2023		Recognised in profit or loss (Note 23)		Recognised in other comprehensive income (expense)/ (Note 24)		Effect of exchange rates in		At 31.12.2024	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	(460,204)	(46,773)	(46,773)	-	(4,410)	(511,387)	(64,869)	-	9,385	(566,871)	(64,869)	-	9,385	(566,871)	(64,869)	-	9,385	(566,871)
Right-of-use assets	(54,678)	(7,905)	(7,905)	-	(2,117)	(64,700)	(1,899)	-	(2,765)	(69,364)	(1,899)	-	(2,765)	(69,364)	(1,899)	-	(2,765)	(69,364)
Lease liabilities	55,502	11,919	11,919	-	2,473	69,894	4,921	-	(2,104)	72,711	4,921	-	(2,104)	72,711	4,921	-	(2,104)	72,711
Provisions	60,691	(7,370)	(7,370)	-	2,565	55,886	2,274	-	(6,445)	51,715	2,274	-	(6,445)	51,715	2,274	-	(6,445)	51,715
Capital allowance	232	175	175	-	-	407	9,109	-	-	9,516	9,109	-	-	9,516	9,109	-	-	9,516
Unutilised tax losses	-	3,494	3,494	-	15	3,509	(1,419)	-	(76)	2,014	(1,419)	-	-	2,014	(1,419)	-	-	2,014
Reinvestment tax allowance carry-forwards	-	487	487	-	-	487	4,701	-	-	5,188	4,701	-	-	5,188	4,701	-	-	5,188
Derivatives	(39,286)	6,094	6,094	64,007	-	30,815	(1,994)	(79,191)	-	(50,370)	(1,994)	(79,191)	-	(50,370)	(1,994)	(79,191)	-	(50,370)
Other items	(29,892)	(21,238)	(21,238)	-	(449)	(51,579)	(11,074)	-	1,161	(61,492)	(11,074)	-	1,161	(61,492)	(11,074)	-	1,161	(61,492)
	(467,635)	(61,117)	(61,117)	64,007	(1,923)	(466,668)	(60,250)	(79,191)	(844)	(606,953)	(60,250)	(79,191)	(844)	(606,953)	(60,250)	(79,191)	(844)	(606,953)
<b>Company</b>																		
Provisions	929	580	580	-	-	1,509	404	-	-	1,913	404	-	-	1,913	404	-	-	1,913
Derivatives	(2,386)	(1,239)	(1,239)	20,235	-	16,610	5,968	(18,347)	-	4,231	5,968	(18,347)	-	4,231	5,968	(18,347)	-	4,231
Other items	29	3	3	-	-	32	12	-	-	44	12	-	-	44	12	-	-	44
	(1,428)	(656)	(656)	20,235	-	18,151	6,384	(18,347)	-	6,188	6,384	(18,347)	-	6,188	6,384	(18,347)	-	6,188

## Notes to the Financial Statements

**11. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)****Estimation uncertainty and significant judgements**

In October 2013, PMBTU was awarded Pioneer Status by the Malaysian Investment Development Authority (“MIDA”), which entitled PMBTU exemption from tax for a period of 15 years from 1 January 2013 to 31 December 2027 on 100% of statutory income derived from the production of aluminium products.

The measurement of the net deferred tax liabilities of PMBTU amounting to RM424,346,000 (2023: RM305,008,000) is based on the assumptions below:

- (i) PMBTU will continuously achieve the conditions imposed in the MIDA’s approval to enjoy the Pioneer Status till the maturity on 31 December 2027;
- (ii) there will not be any substantial changes to the estimated useful lives of the property, plant and equipment of PMBTU nor will there be any significant disposals/write-off of existing property, plant and equipment up to 31 December 2027; and
- (iii) there will not be any substantial changes to the currently enacted tax rates.

**Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2024 RM'000	2023 RM'000
Tax loss carry-forwards	362,352	386,622
Capital allowance carry-forwards	626	523
	<b>362,978</b>	<b>387,145</b>

Deferred tax assets are only recognised to the extent that it is probable that taxable profits will be available against which these assets can be utilised. The tax loss carry-forwards of Group entities (other than foreign subsidiaries) of RM362,352,000 (2023: RM386,622,000) can be carried forward up to 10 consecutive years of assessment (“YA”) following the enactment of the Finance Act 2023 from the YAs as shown below:

	Group	
	2024 RM'000	2023 RM'000
YA2018 and prior YAs	4,728	4,728
YA2021	40,666	80,509
YA2022	222,228	222,228
YA2023	94,730	79,157
	<b>362,352</b>	<b>386,622</b>

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

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group entities can utilise the benefits therefrom.

## Notes to the Financial Statements

**11. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)****11.1 Global minimum top-up tax**

The Group expects to be subjected to the global minimum top-up tax in relation to its operations in Malaysia (“MY”). However, since the newly enacted tax legislation in MY will only come into effect in year 2025, there is no current tax impact for the year ended 31 December 2024.

Based on the initial assessment carried out as at 31 December 2024, the Group has identified potential exposure to Pillar Two income taxes on its operating arm where effective tax rate is lower than 15% arising from its pioneer status.

If the top-up tax had been applied in 2024, the Group’s operation in MY for the year ended 31 December 2024 would be subject to Pillar Two income taxes where approximately 78% of the profit before tax of the Group would be subject to an average effective top-up tax rate of 9.03%.

**11.2 Temporary mandatory relief from deferred tax accounting**

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

**12. TRADE AND OTHER RECEIVABLES, PREPAYMENT AND OTHER ASSETS****Trade and Receivables**

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Non-current</b>					
<b>Non-trade</b>					
Loans to a subsidiary	12.1	-	-	<b>1,595,249</b>	1,459,776
		-	-	<b>1,595,249</b>	1,459,776
<b>Current</b>					
<b>Trade</b>					
Trade receivables from contracts with customers		<b>1,469,858</b>	1,326,625	-	-
Less: Individual impairment allowance		<b>(13,243)</b>	(14,563)	-	-
		<b>1,456,615</b>	1,312,062	-	-
Amounts due from subsidiaries	12.1	-	-	<b>944,348</b>	1,386,663
Amount due from associates	12.1	<b>13,942</b>	13,745	-	-
		<b>1,470,557</b>	1,325,807	<b>944,348</b>	1,386,663
<b>Non-trade</b>					
Amounts due from subsidiaries	12.1	-	-	<b>80,842</b>	80,470
Amount due from associates	12.1	<b>297,789</b>	-	<b>16</b>	-
Loans to a subsidiary	12.1	-	-	<b>956,356</b>	309,182
Other receivables	12.2	<b>257,939</b>	226,250	-	-
Deposits		<b>15,507</b>	5,391	<b>455</b>	181
		<b>571,235</b>	231,641	<b>1,037,669</b>	389,833
		<b>2,041,792</b>	1,557,448	<b>1,982,017</b>	1,776,496
		<b>2,041,792</b>	1,557,448	<b>3,577,266</b>	3,236,272

## Notes to the Financial Statements

**12. TRADE AND OTHER RECEIVABLES, PREPAYMENT AND OTHER ASSETS (CONT'D)****Prepayment and other assets**

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current	12.3	<b>100,920</b>	5,792	-	-
Current	12.3	<b>163,103</b>	41,228	-	-
		<b>264,023</b>	47,020	-	-

**12.1 Related party balances**

Loans to a subsidiary are unsecured, subject to interest ranging from 3.0% to 5.0% (2023: 3.0% to 5.0%) per annum and repayable from year 2025 to 2029.

The current trade and non-trade balances due from subsidiaries and an associate are unsecured, interest free and are expected to be realised within twelve months after the end of the reporting period.

Included in the current non-trade balances due from associates of the Group is a dividend receivable amounting RM297,773,000 (2023: Nil).

**12.2 Other receivables**

During the previous financial year, included in other receivables of the Group are advances made to purchasing agents for the procurement of capital work-in-progress, spare parts and materials on behalf of the Group entities amounting to RM168,703,000.

**12.3 Prepayment and other assets**

Included in current prepayment and other assets of the Group are prepaid expenses made to suppliers for the procurement of capital work-in-progress, spare parts, and materials on behalf of the Group entities amounting to RM106,457,000 (2023: Nil).

The non-current prepayment and other assets of the Group includes prepaid expenses amounting to RM96,994,000 (2023: Nil) for the land acquisition and construction works of PT Kalimantan Alumina Nusantara.

## Notes to the Financial Statements

## 13. INVENTORIES

	Group	
	2024 RM'000	2023 RM'000
Raw materials	992,899	861,937
Work-in-progress	412,863	434,258
Finished goods	512,308	697,707
Consumable parts	484,277	398,069
Goods in transit	218,897	174,453
	<b>2,621,244</b>	2,566,424
Recognised in profit or loss:		
Inventories recognised as cost of sales	<b>11,449,171</b>	11,448,093

## 13.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the first-in, first-out method.

## 14. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits placed with licensed banks	84,056	250,052	76,993	78,955
Cash and bank balances	1,424,692	977,956	106,014	94,251
	<b>1,508,748</b>	1,228,008	<b>183,007</b>	173,206

Deposits placed with licensed banks of the Group and of the Company comprise deposits pledged for bank facilities granted to the Group and to the Company of RM76,993,000 (2023: RM78,955,000) (see Note 16).

## 15. CAPITAL AND RESERVES

## Share capital

	Group and Company			
	Amount 2024 RM'000	Number of shares 2024 '000	Amount 2023 RM'000	Number of shares 2023 '000
Ordinary shares with no par value, issued and fully paid:	<b>2,052,744</b>	<b>8,239,619</b>	2,052,744	8,239,619

## Notes to the Financial Statements

**15. CAPITAL AND RESERVES (CONT'D)****Ordinary shares**

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

**Reorganisation reserve**

The reorganisation reserve in the separate financial statements of the Company represents the difference between the value of the shares issued by the Company in exchange with the shareholders of PMB and the total equity of PMB at the date of exchange.

**Translation reserve**

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

**Hedging reserve**

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet occurred.

**16. LOANS AND BORROWINGS**

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Non-current</b>					
Bank loans:					
- secured	16.1	284,552	549,324	264,204	517,099
- unsecured	16.1	193,493	268,626	-	15,055
Islamic Medium-Term Notes					
- unsecured	16.2	1,550,000	2,250,000	1,550,000	2,250,000
		<b>2,028,045</b>	<b>3,067,950</b>	<b>1,814,204</b>	<b>2,782,154</b>
<b>Current</b>					
Bank loans:					
- secured	16.1	251,023	258,209	239,907	246,090
- unsecured	16.1	206,558	310,725	14,680	61,323
Bankers' acceptances:					
- unsecured	16.3	400,634	19,493	-	-
Revolving credits:					
- unsecured	16.4	284,261	184,043	-	-
Bank overdrafts:					
- unsecured	16.5	4	8,366	-	-
Islamic Medium-Term Notes					
- unsecured	16.2	700,000	550,000	700,000	550,000
		<b>1,842,480</b>	<b>1,330,836</b>	<b>954,587</b>	<b>857,413</b>
		<b>3,870,525</b>	<b>4,398,786</b>	<b>2,768,791</b>	<b>3,639,567</b>

## Notes to the Financial Statements

## 16. LOANS AND BORROWINGS (CONT'D)

## 16.1 Bank loans

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Loan 1 – unsecured	103,173	166,107	-	-
Loan 2 – secured	142	645	-	-
Loan 3 – secured	504,111	763,190	504,111	763,189
Loan 4 – secured	8,426	10,663	-	-
Loan 5 – unsecured	24,167	34,167	-	-
Loan 6 – unsecured	14,680	76,377	14,680	76,378
Loan 7 – unsecured	140,978	208,845	-	-
Loan 8 – unsecured	108,667	92,015	-	-
Loan 9 – secured	22,895	33,035	-	-
Loan 10 – unsecured	-	1,840	-	-
Loan 11 – unsecured	2,359	-	-	-
Loan 12 – unsecured	4,860	-	-	-
Loan 13 – unsecured	1,168	-	-	-
	<b>935,626</b>	<b>1,386,884</b>	<b>518,791</b>	<b>839,567</b>

## Securities and guarantees

Loan 1	No security or guarantee
Loan 2	Secured over buildings of a subsidiary with a carrying amount of RM4,853,000 (2023: RM4,967,000) and guaranteed by a subsidiary
Loan 3	Secured over 3,856,033 shares (2023: 3,856,033 shares) of an associate and deposits pledged with a licensed bank of RM76,993,000 (2023: RM78,955,000)
Loan 4	Secured over land and building of a subsidiary with carrying amounts of RM2,615,000 (2023: RM2,943,000) and RM8,456,000 (2023: RM9,518,000) respectively
Loan 5	No security or guarantee
Loan 6	No security or guarantee
Loan 7	No security or guarantee
Loan 8	No security or guarantee
Loan 9	Secured over machineries of a subsidiary with a carrying amount of RM35,236,000 (2023: RM38,435,000) and guaranteed by a subsidiary
Loan 10	No security or guarantee
Loan 11	No security or guarantee
Loan 12	No security or guarantee
Loan 13	No security or guarantee

## Notes to the Financial Statements

**16. LOANS AND BORROWINGS (CONT'D)****16.1 Bank loans (cont'd)****Significant covenants**

In connection with the significant bank loan facilities of Press Metal Bintulu Sdn. Bhd., the Company and the subsidiary have agreed on the following significant covenants with the lenders:

**Press Metal Bintulu Sdn. Bhd. (Loan 7)**

- i) The subsidiary shall maintain a maximum net debt to tangible net worth of not more than 1.50 times, net debt-to-earnings before interest, taxes, depreciation and amortisation ("EBITDA") of not more than 3.00 times and minimum debt service coverage ratio ("DCSR") of 1.25 times;
- ii) The consolidated financial statements of the Group shall maintain a maximum net debt to tangible net worth of not more than 1.50 times and net debt-to-EBITDA of not more than 3.50 times; and
- iii) The existing shareholders shall maintain their shareholdings in the subsidiary.

**Press Metal Aluminium Holdings Berhad (Loans 3 and 6)**

The consolidated financial statements of the Group shall maintain a maximum gross debt to tangible net worth of not more than 1.50 times and a minimum DSCR of 1.25 times.

**16.2 Islamic Medium-Term Notes**

In August 2019, the Company made a lodgement with the Securities Commission Malaysia for the establishment of Islamic Medium-Term Notes of RM5.0 billion in nominal value based on the Shariah Principle of Wakalah Bi Al-Istithmar ("Sukuk Programme"), for a tenure of up to thirty (30) years.

In October 2019, the Company made its first issuance of the Sukuk Programme for an aggregate nominal value of RM1.0 billion with tenures ranging from 5 to 10 years repayable as follows:

- RM550 million due in 2024
- RM200 million due in 2026
- RM250 million due in 2029

In August 2020, the Company made its second issuance of the Sukuk Programme for an aggregate nominal value of RM700 million with a tenure of 5 years repayable in 2025.

In December 2021, the Company made its third issuance of the Sukuk Programme for an aggregate nominal value of RM600 million with tenures of 6 years and 7 years.

In September 2023, the Company made its fourth issuance of the Sukuk Programme for an aggregate nominal value of RM500 million with tenures of 5 years and 7 years.

The Group utilised the proceeds from the issuance for general corporate purposes including capital expenditure, working capital requirements, investments and refinancing of existing borrowings.

The transaction costs arising from these issuances have been back charged to Press Metal Bintulu Sdn. Bhd. as part of the loans to the subsidiary (Note 12.1).

## Notes to the Financial Statements

**16. LOANS AND BORROWINGS (CONT'D)****16.2 Islamic Medium-Term Notes (cont'd)****Significant covenants**

- i) The consolidated financial statements of the Group shall maintain a maximum Finance to Equity Ratio of not more than 1.75 times; and
- ii) The Company shall maintain its existing shareholdings in Press Metal Sarawak Sdn. Bhd. and Press Metal Bintulu Sdn. Bhd. (collectively known as “material subsidiaries”).

The Company and/or its material subsidiaries are, subject to certain thresholds, limitations, exceptions and qualifications, limited from:

- issuing guarantees;
- entering into transactions with shareholders or affiliates;
- creating any liens;
- selling assets;
- reducing of share capital;
- lending or advancing any money to any other parties;
- entering into partnership;
- changing of proceeds utilisation;
- substantially changing the nature or scope of its business; and
- effecting a consolidation, merger or reorganisation.

**16.3 Bankers' acceptances**

	Group	
	2024 RM'000	2023 RM'000
Guaranteed by the Company	400,634	19,493

**16.4 Revolving credits**

	Group	
	2024 RM'000	2023 RM'000
Guaranteed by the Company	284,261	184,043

**16.5 Bank overdrafts**

	Group	
	2024 RM'000	2023 RM'000
Guaranteed by the Company	4	7,369
Guaranteed by a director	-	997
	4	8,366

## Notes to the Financial Statements

## 17. PROVISIONS

	Employee entitlements (Note 17.1) RM'000	Restoration and rehabilitation (Note 17.2) RM'000	Total RM'000
<b>Group</b>			
At 1 January 2023	9,199	170,734	179,933
Provisions reversed during the year	-	(32,730)	(32,730)
Unwinding of discount	736	6,274	7,010
Effect of movements in exchange rates	479	7,316	7,795
At 31 December 2023/1 January 2024	<b>10,414</b>	<b>151,594</b>	<b>162,008</b>
Unwinding of discount	<b>487</b>	<b>6,181</b>	<b>6,668</b>
Effect of movements in exchange rates	<b>(1,198)</b>	<b>(17,204)</b>	<b>(18,402)</b>
At 31 December 2024	<b>9,703</b>	<b>140,571</b>	<b>150,274</b>
<b>2024</b>			
Non-current	<b>1,081</b>	<b>139,561</b>	<b>140,642</b>
Current	<b>8,622</b>	<b>1,010</b>	<b>9,632</b>
	<b>9,703</b>	<b>140,571</b>	<b>150,274</b>
<b>2023</b>			
Non-current	1,034	150,637	151,671
Current	9,380	957	10,337
	10,414	151,594	162,008

## 17.1 Employee entitlements

The long service leave provision is measured at the present value of expected future payments in respect of services provided by the employees up to the end of the reporting period. Forecast future salary levels, experience of employees, turnover and periods of service are considered in determining the liability.

## 17.2 Restoration and rehabilitation

The provision for restoration and rehabilitation relates to the estimated costs associated with the joint operation's obligation for decommissioning and demolition of all industrial and support infrastructure from the site and revegetation of the land. The rehabilitation is expected to occur in the next 52 years. Because of the long-term nature of the liability, the greatest uncertainty in estimating the provision is the costs that will be incurred.

The provision is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date, based on current legal requirements and technology. The provision has been calculated using a nominal discount rate of 4.4% (2023: 4.4%). Future restoration costs are reviewed annually and any changes are reflected in the present value of the restoration provision at the end of the reporting period. The unwinding of the effect of discounting on provision is recognised as a finance cost.

## Notes to the Financial Statements

## 18. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Trade</b>					
Trade payables		<b>901,565</b>	702,399	-	-
Amounts due to associates	18.1	<b>46,209</b>	155,926	-	-
		<b>947,774</b>	858,325	-	-
<b>Non-trade</b>					
Amounts due to subsidiaries	18.1	-	-	<b>27,121</b>	19,405
Other payables		<b>221,976</b>	173,491	<b>3,220</b>	1,222
Accrued expenses		<b>172,368</b>	217,097	<b>34,068</b>	40,326
		<b>394,344</b>	390,588	<b>64,409</b>	60,953
		<b>1,342,118</b>	1,248,913	<b>64,409</b>	60,953

## 18.1 Related party balances

The trade balances due to associates are subject to normal trade terms.

The non-trade balances due to subsidiaries and an associate are unsecured, interest free and repayable on demand.

## 19. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Revenue from contracts with customers</b>	<b>14,909,528</b>	13,804,707	<b>41,992</b>	37,078
<b>Other revenue</b>				
- Dividend income	-	-	<b>695,831</b>	735,870
<b>Total revenue</b>	<b>14,909,528</b>	13,804,707	<b>737,823</b>	772,948

## 19.1 Disaggregation of revenue

Revenue from contracts with customers of the Company consists of management and consultancy fee income received/receivable from certain subsidiaries based in Malaysia which is recognised in profit or loss over time when services are rendered. Payment is generally received within a month from invoice date.

## Notes to the Financial Statements

## 19. REVENUE (CONT'D)

## 19.1 Disaggregation of revenue (cont'd)

Group	Reportable segments													
	Smelting and extrusion			Trading			Refinery			All other segments			Total	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Primary geographical markets</b>														
Malaysia	1,246,381	938,551	98,296	166,868	-	-	1,963	1,106	1,346,640	1,106,525				
Asia	7,713,846	6,478,507	100,953	75	-	-	-	46	7,814,799	6,478,628				
Oceania	76,846	76,971	118,677	125,390	410,371	321,740	-	-	605,894	524,101				
Europe	4,475,023	5,093,208	285,164	341,940	-	-	-	-	4,760,187	5,435,148				
America	196,620	40,041	185,388	212,601	-	-	-	-	382,008	252,642				
Africa	-	7,663	-	-	-	-	-	-	-	7,663				
	<b>13,708,716</b>	<b>12,634,941</b>	<b>788,478</b>	<b>846,874</b>	<b>410,371</b>	<b>321,740</b>	<b>1,963</b>	<b>1,152</b>	<b>14,909,528</b>	<b>13,804,707</b>				
<b>Major products and services lines</b>														
Smelting aluminium products	12,388,543	11,596,303	-	-	-	-	-	-	12,388,543	11,596,303				
Extrusion aluminium products	1,320,173	1,038,638	788,478	846,874	-	-	-	-	2,108,651	1,885,512				
Alumina products	-	-	-	-	410,371	321,740	-	-	410,371	321,740				
Contracting and fabrication	-	-	-	-	-	-	1,813	1,106	1,813	1,106				
Others	-	-	-	-	-	-	150	46	150	46				
	<b>13,708,716</b>	<b>12,634,941</b>	<b>788,478</b>	<b>846,874</b>	<b>410,371</b>	<b>321,740</b>	<b>1,963</b>	<b>1,152</b>	<b>14,909,528</b>	<b>13,804,707</b>				
<b>Timing and recognition</b>														
At a point in time	13,708,716	12,634,941	788,478	846,874	410,371	321,740	150	46	14,907,715	13,803,601				
Over time	-	-	-	-	-	-	1,813	1,106	1,813	1,106				
	<b>13,708,716</b>	<b>12,634,941</b>	<b>788,478</b>	<b>846,874</b>	<b>410,371</b>	<b>321,740</b>	<b>1,963</b>	<b>1,152</b>	<b>14,909,528</b>	<b>13,804,707</b>				

## Notes to the Financial Statements

**19. REVENUE (CONT'D)****19.2 Nature of goods and services**

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Smelting aluminium products	Revenue is recognised when the goods are shipped on board evidenced by bill of lading.	Credit period of 0-30 days from invoice date.	Not applicable.	The Group allows returns only for exchange with new goods (i.e. no cash refunds are offered).	Not applicable.
Extrusion aluminium products	Revenue is recognised when the goods are delivered and accepted by the customers at their premises or shipped on board evidenced by bill of lading.	Credit period of 90 days from invoice date.	Not applicable.	The Group allows returns only for exchange with new goods (i.e. no cash refunds are offered).	Not applicable.
Alumina products	Revenue is recognised when the goods are shipped on board evidenced by bill of lading.	Credit period of 7 days from invoice date.	Not applicable.	Not applicable.	Not applicable.

**19.3 Practical expedients applied for transaction price allocated to the remaining performance obligations**

The Group applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

**19.4 Judgements and assumptions arising from revenue recognition**

The Group applied the following judgements and assumptions that affect the determination of the amount and timing of revenue recognised from contracts with customers:

- For smelting aluminium, extrusion aluminium and alumina products, control of the goods is transferred to the customers when the goods are shipped on board evidenced by bill of lading. The Group estimates that the revenue from the additional performance obligation, arising from shipping and handling activities provided to be recognised over time, is immaterial for separate recognition from the sale of products.

## Notes to the Financial Statements

## 20. FINANCE INCOME

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest income of financial assets calculated using the effective interest method that are at amortised cost	57,746	20,621	109,264	103,598
Other finance income	5,438	3,176	1,741	3,811
	<b>63,184</b>	<b>23,797</b>	<b>111,005</b>	<b>107,409</b>

## 21. FINANCE COSTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:				
- amortisation of transaction costs	2,384	4,188	1,770	1,770
- interest paid and payable	185,695	211,585	148,087	164,024
	<b>188,079</b>	<b>215,773</b>	<b>149,857</b>	<b>165,794</b>
Interest expense on lease liabilities	9,920	9,006	-	-
Other finance costs	19,938	20,603	11	7
	<b>217,937</b>	<b>245,382</b>	<b>149,868</b>	<b>165,801</b>
Recognised in profit or loss	217,937	242,475	149,868	165,801
Capitalised on qualifying assets:				
- property, plant and equipment (Note 3)	-	2,907	-	-
	<b>217,937</b>	<b>245,382</b>	<b>149,868</b>	<b>165,801</b>

## Notes to the Financial Statements

## 22. PROFIT BEFORE TAX

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Profit before tax is arrived at after charging/ crediting:</b>				
Auditors' remunerations				
Audit fees:				
- KPMG PLT	1,665	1,587	345	325
- Overseas affiliates of KPMG PLT	217	100	-	-
- Other auditors	1,064	867	-	-
Non-audit fees:				
- KPMG PLT	315	67	25	22
- Local affiliates of KPMG PLT	617	505	-	-
- Other professional audit firms	1,231	703	-	-
<b>Material expenses</b>				
Depreciation of property, plant and equipment	731,474	654,911	14	10
Depreciation of right-of-use assets	31,864	30,326	-	-
Depreciation of investment properties	1,582	1,558	-	-
Property, plant and machineries written off due to fire incident	129,748	-	-	-
Property, plant and machineries written off	28,838	20,116	-	-
Personnel expenses (including key management personnel):				
- Contributions to Employees' Provident Fund	29,853	29,348	3,621	3,247
- Wages, salaries and others	499,067	483,437	43,218	37,120
Realised foreign exchange loss	137,107	35,964	9,168	31,513
<b>Material income</b>				
Insurance compensation received and receivable	127,542	-	-	-
Dividend income from subsidiaries	-	-	576,000	692,400
Dividend income from an associate	-	-	119,831	43,470

## Notes to the Financial Statements

**23. TAX EXPENSE****Recognised in profit or loss**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Income tax expense	<b>178,683</b>	127,857	<b>1,787</b>	3,001
Share of tax of equity-accounted associates	<b>38,805</b>	1,947	-	-
<b>Total income tax expense</b>	<b>217,488</b>	129,804	<b>1,787</b>	3,001
Major components of income tax expense include:				
<b>Current tax expense</b>				
Current year	<b>119,958</b>	71,829	<b>8,203</b>	2,212
Prior year	<b>(1,525)</b>	(5,100)	<b>(32)</b>	133
Real property gains tax	-	11	-	-
<b>Total current tax recognised in profit or loss</b>	<b>118,433</b>	66,740	<b>8,171</b>	2,345
<b>Deferred tax expense</b>				
Origination and reversal of temporary differences	<b>64,874</b>	70,783	<b>(6,332)</b>	690
(Over)/Under provision in prior year	<b>(4,624)</b>	(9,666)	<b>(52)</b>	(34)
<b>Total deferred tax recognised in profit or loss (Note 11)</b>	<b>60,250</b>	61,117	<b>(6,384)</b>	656
Share of tax of equity-accounted associates	<b>38,805</b>	1,947	-	-
<b>Total income tax expense</b>	<b>217,488</b>	129,804	<b>1,787</b>	3,001

## Notes to the Financial Statements

**23. TAX EXPENSE (CONT'D)****Reconciliation of tax expense**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit for the year	<b>2,124,710</b>	1,517,992	<b>617,228</b>	625,331
Total income tax expense	<b>217,488</b>	129,804	<b>1,787</b>	3,001
Profit excluding tax	<b>2,342,198</b>	1,647,796	<b>619,015</b>	628,332
Income tax calculated using Malaysian tax rate of 24% (2023: 24%)	<b>562,128</b>	395,471	<b>148,564</b>	150,800
Effect of tax rates in foreign jurisdictions	<b>561</b>	481	-	-
Non-deductible expenses	<b>25,807</b>	54,688	<b>22,574</b>	28,710
Non-taxable income	<b>(20,164)</b>	(33,268)	<b>(169,267)</b>	(176,609)
Tax incentives	<b>(338,895)</b>	(291,609)	-	-
Real property gain tax	-	11	-	-
Movement of unrecognised deferred tax assets	<b>(5,800)</b>	18,796	-	-
(Over)/Under provision in prior years	<b>(6,149)</b>	(14,766)	<b>(84)</b>	100
	<b>217,488</b>	129,804	<b>1,787</b>	3,001

**Non-taxable income**

The non-taxable income of the Company for the financial year ended 31 December 2024 mainly relate to dividend income from subsidiaries and an associate (2023: dividend income from subsidiaries and an associate).

**Tax incentives**

As disclosed in Note 11, PMBTU was awarded Pioneer Status by the MIDA, which entitled PMBTU exemption from tax for a period of 15 years from 1 January 2013 to 31 December 2027 on 100% of statutory income derived from the production of aluminium products.

## Notes to the Financial Statements

## 24. OTHER COMPREHENSIVE INCOME/(EXPENSE)

	Before tax RM'000	Tax expense RM'000	Net of tax RM'000
<b>Group</b>			
<b>2024</b>			
<b>Items that are or may be reclassified subsequently to profit or loss</b>			
Cash flow hedge			
- Gains during the year	952,627	(79,191)	873,436
- Reclassification adjustments for gains included in profit or loss	(210,979)	-	(210,979)
	741,648	(79,191)	662,457
Foreign currency translation differences for foreign operations			
- Losses during the year	(88,177)	-	(88,177)
	653,471	(79,191)	574,280
Share of other comprehensive expense of equity-accounted associates	(129,328)	-	(129,328)
	524,143	(79,191)	444,952
<b>2023</b>			
<b>Items that are or may be reclassified subsequently to profit or loss</b>			
Cash flow hedge			
- Losses during the year	(495,017)	64,007	(431,010)
- Reclassification adjustments for gains included in profit or loss	(19,265)	-	(19,265)
	(514,282)	64,007	(450,275)
Foreign currency translation differences for foreign operations			
- Gains during the year	33,927	-	33,927
	(480,355)	64,007	(416,348)
Share of other comprehensive income of equity-accounted associates	12,112	-	12,112
	(468,243)	64,007	(404,236)
<b>Company</b>			
<b>2024</b>			
<b>Items that are or may be reclassified subsequently to profit or loss</b>			
Cash flow hedge			
- Gains during the year	51,577	(18,347)	33,230
- Reclassification adjustments for losses included in profit or loss	24,869	-	24,869
	76,446	(18,347)	58,099
<b>2023</b>			
<b>Items that are or may be reclassified subsequently to profit or loss</b>			
Cash flow hedge			
- Losses during the year	(84,314)	20,235	(64,079)

## Notes to the Financial Statements

**25. EARNINGS PER ORDINARY SHARE****Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2024 RM'000	2023 RM'000
Profit attributable to ordinary shareholders	1,765,700	1,215,268

	Group	
	2024 '000	2023 '000
Weighted average number of ordinary shares at 31 December	8,239,619	8,239,619

	Group	
	2024 Sen	2023 Sen
Basic earnings per ordinary share	21.43	14.75

**Diluted earnings per ordinary share**

Diluted EPS is not presented as the Group has no shares or other instruments with potential dilutive effects.

**26. DIVIDENDS**

Dividends recognised by the Company:

	Sen per share	Total amount RM'000	Date of payment
<b>2024</b>			
Fourth interim 2023 ordinary	1.75	144,193	29 March 2024
First interim 2024 ordinary	1.75	144,193	28 June 2024
Second interim 2024 ordinary	1.75	144,193	30 September 2024
Third interim 2024 ordinary	1.75	144,193	31 December 2024
Total amount		576,772	
<b>2023</b>			
Fourth interim 2022 ordinary	1.75	144,193	31 March 2023
First interim 2023 ordinary	1.75	144,193	30 June 2023
Second interim 2023 ordinary	1.75	144,193	29 September 2023
Third interim 2023 ordinary	1.75	144,193	29 December 2023
Total amount		576,772	

## Notes to the Financial Statements

**26. DIVIDENDS (CONT'D)**

After the end of the reporting period, the following dividend was declared by the Directors on 26 February 2025 and paid on 28 March 2025. This dividend will be recognised in subsequent financial year.

	Sen per share	Total amount RM'000
Fourth interim 2024 ordinary	1.75	144,193

The Directors do not recommend any final dividend to be paid for the financial year under review.

**27. OPERATING SEGMENTS**

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Chief Operating Decision Maker ("CODM") (i.e. the Group's Chief Executive Officer) reviews internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- *Smelting and Extrusion*      Includes manufacturing and trading of smelting and extrusion products
- *Trading*                              Includes marketing of aluminium and other related products
- *Refinery*                                Includes refinery of alumina
- *Investment holding*                Includes investment holding

The manufacturing and trading of smelting and extrusion products are managed by two different segments within the Group. These operating segments are aggregated to form a reportable segment as Smelting and Extrusion due to the similar nature and economic characteristics of the products. The nature and methods of distribution of the products for these divisions are similar. The type of customers for the products are similar, which consist of industrial customers.

Other non-reportable segments comprise operations related to contracting and fabrication and dormant companies. None of these segments met the quantitative thresholds for reporting segments in 2024 and 2023.

There are varying levels of integration between Smelting and Extrusion, Trading and Refinery reportable segments. This integration includes transfers of raw materials and shared distribution services respectively. Inter-segment pricing is determined on negotiated basis.

Performance is measured based on segment profit before tax and interest, as included in the internal management reports that are reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**Segment assets**

The total of segment assets is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total asset is used to measure the return on assets of each segment.

**Segment liabilities**

Segment liabilities information is neither included in the internal management reports nor provided regularly to the CODM. Hence, no disclosure is made on segment liabilities.

**Segment capital expenditure**

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, right-of-use assets, investment properties and other investments other than goodwill.

## Notes to the Financial Statements

## 27. OPERATING SEGMENTS (CONT'D)

Group	Smelting and extrusion		Trading		Refinery		Investment holding		Total	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Segment profit</b>	<b>1,954,667</b>	<b>1,661,139</b>	<b>21,868</b>	<b>107,725</b>	<b>88,349</b>	<b>14,625</b>	<b>582,191</b>	<b>207,421</b>	<b>2,647,075</b>	<b>1,990,910</b>
<i>Included in the measure of segment profit are:</i>										
Revenue from external customers	13,708,716	12,634,941	788,478	846,874	410,371	321,740	-	-	14,907,565	13,803,555
Inter-segment revenue	397,556	507,532	2,005,286	1,811,501	-	-	-	-	2,402,842	2,319,033
Property, plant and equipment written off	152,578	19,998	438	-	-	-	-	-	153,016	19,998
Share of profit or loss of associates	-	-	6,805	(5,252)	-	-	552,473	212,608	559,278	207,356
Unrealised foreign exchange gain/(loss)	16,020	15,277	1,049	(3,107)	(1,701)	1,039	499	(5,153)	15,867	8,056
Depreciation and amortisation	691,652	621,796	21,020	16,792	49,847	47,739	2,415	513	764,934	686,840
<i>Not included in the measure of segment profit but provided to CODM:</i>										
Finance costs	158,440	57,938	1,054	2,146	17,008	16,273	41,429	165,867	217,931	242,224
Finance income	58,175	18,556	1,393	454	1,065	820	1,909	3,811	62,542	23,641
Tax expense	128,566	107,492	8,977	1,865	19,835	(2,195)	21,298	22,039	178,676	129,201
<b>Segment assets</b>	<b>12,735,198</b>	<b>12,018,998</b>	<b>323,206</b>	<b>414,954</b>	<b>943,942</b>	<b>1,029,272</b>	<b>3,307,469</b>	<b>2,601,265</b>	<b>17,309,815</b>	<b>16,064,489</b>
<i>Included in the measure of segment assets are:</i>										
Investments in associates	-	-	61,565	54,760	-	-	1,939,472	1,781,630	2,001,037	1,836,390
Additions to non-current assets other than financial instruments and deferred tax assets	767,337	664,982	11,392	35,481	25,282	29,881	4,784	2,533	808,795	732,877

## Notes to the Financial Statements

## 27. OPERATING SEGMENTS (CONT'D)

## Reconciliation of reportable segment revenues, profit or loss, assets and other material items

Group	2024 RM'000	2023 RM'000
<b>Revenue</b>		
Total external revenue for reportable segments	14,907,565	13,803,555
Other non-reportable segments	1,963	1,152
Consolidated total	14,909,528	13,804,707
<b>Profit or loss</b>		
Total profit or loss for reportable segments	2,647,075	1,990,910
Other non-reportable segments	1,925	(1,465)
Elimination of inter-segment profits	(190,854)	(124,918)
Finance income	63,184	23,797
Finance costs	(217,937)	(242,475)
Tax expense	(178,683)	(127,857)
Consolidated total	2,124,710	1,517,992
<b>Total assets</b>		
Total assets for reportable segments	17,309,815	16,064,489
Other non-reportable segments	370,685	53,620
Elimination of inter-segment balances	(1,046,289)	(751,637)
Consolidated total	16,634,211	15,366,472
<b>Depreciation and amortisation</b>		
Total depreciation and amortisation for reportable segments	764,934	686,840
Other non-reportable segments	86	71
Consolidated total	765,020	686,911
<b>Finance costs</b>		
Total finance costs for reportable segments	217,931	242,224
Other non-reportable segments	6	251
Consolidated total	217,937	242,475

## Notes to the Financial Statements

## 27. OPERATING SEGMENTS (CONT'D)

## Reconciliation of reportable segment revenues, profit or loss, assets and other material items (cont'd)

Group	2024 RM'000	2023 RM'000
<b>Finance income</b>		
Total finance income for reportable segments	62,542	23,641
Other non-reportable segments	642	156
Consolidated total	63,184	23,797
<b>Tax expense</b>		
Total tax expense for reportable segments	178,676	129,201
Other non-reportable segments	7	(1,344)
Consolidated total	178,683	127,857
<b>Property, plant and equipment written off</b>		
Total property, plant and equipment written off for reportable segments	153,016	19,998
Other non-reportable segments	5,570	118
Consolidated total	158,586	20,116
<b>Additions to non-current assets</b>		
Total additions to non-current assets for reportable segments	808,795	732,877
Other non-reportable segments	1,460	-
Consolidated total	810,255	732,877

**Geographical segments**

The Smelting and Extrusion, Trading, Refinery and the Investment Holding segments are managed mainly in Malaysia (country of domicile), countries in Oceania, Asia and Europe.

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments, investments in associates and deferred tax assets.

## Notes to the Financial Statements

## 27. OPERATING SEGMENTS (CONT'D)

## Geographical information

Group	External revenue		Non-current assets	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysia	1,346,640	1,106,525	6,313,707	6,340,749
Asia:				
- China	904,854	850,381	417,148	457,089
- India	1,293,819	726,554	-	-
- Singapore	1,769,661	1,897,699	-	-
- Taiwan	282,580	183,781	-	-
- South Korea	1,475,858	1,031,355	-	-
- Vietnam	898,852	661,210	-	-
- Others	1,189,175	1,127,648	107,096	-
Europe:				
- Switzerland	4,020,762	4,672,658	-	-
- United Kingdom	336,836	347,825	16,323	12,147
- Others	402,589	414,665	-	-
Oceania				
- Australia	577,736	493,567	852,968	1,007,881
- Others	28,158	30,534	-	-
Other countries	382,008	260,305	1,187	1,613
	14,909,528	13,804,707	7,708,429	7,819,479

## Major customers

The following are major customers with revenue equal or more than 10% of the Group's total revenue:

Group	Revenue		Segment
	2024 RM'000	2023 RM'000	
All common control companies of:			
Glencore International AG	3,657,108	3,652,443	Smelting and Extrusion
Sumitomo Corporation Asia and Oceania Pte. Ltd.	2,276,952	2,120,132	Smelting and Extrusion

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS

## 28.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

- (a) Amortised cost (“AC”)  
 (b) Fair value through profit or loss (“FVTPL”)  
 - Mandatorily required by MFRS 9

	Carrying amount RM'000	AC RM'000	FVTPL RM'000	Derivatives used for hedging RM'000
<b>2024</b>				
<b>Financial assets</b>				
<b>Group</b>				
Other investments	1,803	-	1,803	-
Trade and other receivables	2,041,792	2,041,792	-	-
Derivative financial assets	555,537	-	602	554,935
Cash and cash equivalents	1,508,748	1,508,748	-	-
	<b>4,107,880</b>	<b>3,550,540</b>	<b>2,405</b>	<b>554,935</b>
<b>Company</b>				
Trade and other receivables	3,577,266	3,577,266	-	-
Derivative financial assets	11,191	-	-	11,191
Cash and cash equivalents	183,007	183,007	-	-
	<b>3,771,464</b>	<b>3,760,273</b>	<b>-</b>	<b>11,191</b>
<b>Financial liabilities</b>				
<b>Group</b>				
Loans and borrowings	(3,870,525)	(3,870,525)	-	-
Trade and other payables	(1,342,118)	(1,342,118)	-	-
Derivative financial liabilities	(114,317)	-	(35,532)	(78,785)
	<b>(5,326,960)</b>	<b>(5,212,643)</b>	<b>(35,532)</b>	<b>(78,785)</b>
<b>Company</b>				
Loans and borrowings	(2,768,791)	(2,768,791)	-	-
Trade and other payables	(64,409)	(64,409)	-	-
Derivative financial liabilities	(28,821)	-	(24,869)	(3,952)
	<b>(2,862,021)</b>	<b>(2,833,200)</b>	<b>(24,869)</b>	<b>(3,952)</b>

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.1 Categories of financial instruments (cont'd)

	Carrying amount RM'000	AC RM'000	FVTPL RM'000	Derivatives used for hedging RM'000
<b>2023</b>				
<b>Financial assets</b>				
<b>Group</b>				
Other investments	1,803	-	1,803	-
Trade and other receivables*	1,388,745	1,388,745	-	-
Derivative financial assets	226,408	-	302	226,106
Cash and cash equivalents	1,228,008	1,228,008	-	-
	2,844,964	2,616,753	2,105	226,106
<b>Company</b>				
Trade and other receivables	3,236,272	3,236,272	-	-
Derivative financial assets	2,036	-	-	2,036
Cash and cash equivalents	173,206	173,206	-	-
	3,411,514	3,409,478	-	2,036
<b>Financial liabilities</b>				
<b>Group</b>				
Loans and borrowings	(4,398,786)	(4,398,786)	-	-
Trade and other payables	(1,248,913)	(1,248,913)	-	-
Derivative financial liabilities	(439,283)	-	(907)	(438,376)
	(6,086,982)	(5,647,699)	(907)	(438,376)
<b>Company</b>				
Loans and borrowings	(3,639,567)	(3,639,567)	-	-
Trade and other payables	(60,953)	(60,953)	-	-
Derivative financial liabilities	(71,245)	-	-	(71,245)
	(3,771,765)	(3,700,520)	-	(71,245)

\* Excluded advances made to purchasing agents

## Notes to the Financial Statements

**28. FINANCIAL INSTRUMENTS (CONT'D)****28.2 Net gains and losses arising from financial instruments**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net gains/(losses) on:				
Financial liabilities at fair value through profit or loss:				
- Mandatorily required by MFRS 9	<b>(47,697)</b>	(3,717)	<b>(24,867)</b>	5,163
Financial assets at amortised cost	<b>40,142</b>	15,779	<b>123,167</b>	111,208
Financial liabilities at amortised cost	<b>(244,311)</b>	(272,880)	<b>(136,880)</b>	(202,892)
Derivatives used for hedging				
- Recognised in other comprehensive income	<b>610,605</b>	(449,581)	<b>58,099</b>	(64,079)
Financial liabilities used for hedging				
- Recognised in other comprehensive income	<b>53,188</b>	(4,301)	-	-
	<b>411,927</b>	(714,700)	<b>19,519</b>	(150,600)

**28.3 Financial risk management**

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

**28.4 Credit risk**

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior periods.

## Notes to the Financial Statements

**28. FINANCIAL INSTRUMENTS (CONT'D)****28.4 Credit risk (cont'd)****Trade receivables and contract assets*****Risk management objectives, policies and processes for managing the risk***

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount.

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

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

There are no significant changes as compared to previous year.

***Exposure to credit risk, credit quality and collateral***

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

The Group does not normally receive financial guarantees given by banks, shareholders or directors of customers as the Group transacts with a small pool of customers which have been dealing with the Group for a long period of time. Nevertheless, the Directors use ageing analysis to monitor the credit quality of the receivables in managing exposure to credit risks.

***Concentration of credit risk***

The exposure of credit risk for non-related party trade receivables and contract assets as at the end of the reporting period by geographic region was:

	Group	
	2024 RM'000	2023 RM'000
Domestic	149,430	164,414
Asia	745,890	632,338
Oceania	96,369	36,479
Europe	450,763	450,391
America	14,163	28,440
	<b>1,456,615</b>	<b>1,312,062</b>

## Notes to the Financial Statements

**28. FINANCIAL INSTRUMENTS (CONT'D)****28.4 Credit risk (cont'd)****Trade receivables and contract assets (cont'd)****Recognition and measurement of impairment loss**

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 180 days. The Group's debt recovery process is as follows:

- a) Above 90 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the sales management team; and
- b) The Group will commence a legal proceeding against the customer who fails to pay after the Group initiates the debt recovery process.

As the Group does not deal with a large pool of customers, the Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable. All of these customers have low risk of default, except for those which have been credit impaired.

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

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>2024</b>			
Current (not past due)	1,037,978	-	1,037,978
1 - 90 days past due	407,255	-	407,255
More than 90 days past due	11,382	-	11,382
	<b>1,456,615</b>	<b>-</b>	<b>1,456,615</b>
<b>Credit impaired</b>			
Individually impaired	13,243	(13,243)	-
	<b>1,469,858</b>	<b>(13,243)</b>	<b>1,456,615</b>
Trade receivables	<b>1,469,858</b>	<b>(13,243)</b>	<b>1,456,615</b>
<b>2023</b>			
Current (not past due)	808,961	-	808,961
1 - 90 days past due	475,989	-	475,989
More than 90 days past due	27,112	-	27,112
	<b>1,312,062</b>	<b>-</b>	<b>1,312,062</b>
<b>Credit impaired</b>			
Individually impaired	14,563	(14,563)	-
	<b>1,326,625</b>	<b>(14,563)</b>	<b>1,312,062</b>
Trade receivables	<b>1,326,625</b>	<b>(14,563)</b>	<b>1,312,062</b>

## Notes to the Financial Statements

**28. FINANCIAL INSTRUMENTS (CONT'D)****28.4 Credit risk (cont'd)****Trade receivables and contract assets (cont'd)****Recognition and measurement of impairment loss (cont'd)**

The movements in the allowance for impairment in respect of non-related party trade receivables and contract assets during the year are shown below:

Group	Trade receivables credit impaired RM'000	Contract assets RM'000	Total RM'000
Balance at 1 January 2023	10,601	-	10,601
Net remeasurement of loss allowance	7,407	-	7,407
Effect of movements in exchange rate	(3,445)	-	(3,445)
Balance at 31 December 2023/1 January 2024	<b>14,563</b>	-	<b>14,563</b>
Net remeasurement of loss allowance	485	-	485
Effect of movements in exchange rate	(1,805)	-	(1,805)
Balance at 31 December 2024	<b>13,243</b>	-	<b>13,243</b>

As at 31 December 2024, all of the trade receivables written off are still subject to enforcement activity.

**Cash and cash equivalents**

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

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

**Investments and derivative financial instruments****Risk management objectives, policies and processes for managing the risk**

Investments are allowed only in liquid securities. Transactions involving derivative financial instruments are with approved financial institutions.

**Exposure to credit risk, credit quality and collateral**

As at the end of the reporting period, the Group has only invested in domestic securities. The derivative contracts were entered into with approved financial institutions. The maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

In view of the sound credit rating of counterparties, management does not expect any counterparty to fail to meet its obligations. The Group is of the view that the loss allowance is not material and hence, it is not provided for.

The investments are unsecured.

## Notes to the Financial Statements

### 28. FINANCIAL INSTRUMENTS (CONT'D)

#### 28.4 Credit risk (cont'd)

##### Financial guarantees

##### *Risk management objectives, policies and processes for managing the risk*

The Company provides unsecured financial guarantees to banks in respect of banking facilities and credit terms granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to fulfil the contracts and service their repayments on an individual basis.

##### *Exposure to credit risk, credit quality and collateral*

The maximum exposure to credit risk of the Company amounts to RM997,932,000 (2023: RM712,039,000) as at the end of the reporting period.

##### *Recognition and measurement of impairment loss*

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary is unlikely to repay its amounts owing to the supplier in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

##### Inter-company receivables and loans and advances

##### *Risk management objectives, policies and processes for managing the risk*

The Group trades with an associate and provides unsecured advances to an associate. The Company provides unsecured loans and advances to subsidiaries. The Group and the Company monitor the ability of the subsidiaries and associates to repay the loans and advances on an individual basis.

## Notes to the Financial Statements

**28. FINANCIAL INSTRUMENTS (CONT'D)****28.4 Credit risk (cont'd)****Inter-company receivables and loans and advances (cont'd)*****Exposure to credit risk, credit quality and collateral***

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

Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

***Recognition and measurement of impairment loss***

Generally, the Group and the Company consider receivables and loans and advances to subsidiaries and associates to have low credit risk. The Group and the Company assume that there is a significant increase in credit risk when a subsidiary's and associate's financial position deteriorates significantly. As the Group and the Company are able to determine the timing of payments of the subsidiaries' and associates' loans and advances when they are payable, the Group and the Company consider the loans and advances to be in default when the subsidiaries and associates are not able to pay when demanded. The Group and the Company consider a subsidiary's and associate's loan or advance to be credit impaired when:

- The subsidiary or associate is unlikely to repay its loan or advance to the Group or to the Company in full; or
- The subsidiary or associate is continuously loss making and is having a deficit shareholders' fund.

The Group and the Company determine the probability of default for these loans and advances individually using internal information available.

As at the end of the reporting period, there was no indication that the receivables and loans and advances to subsidiaries and associates are not recoverable. As these amounts are considered to have low credit risk, the Group and the Company are of the view that the loss allowance is not material and hence, they are not provided for.

**28.5 Liquidity risk**

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

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

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

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.5 Liquidity risk (cont'd)

*Maturity analysis*

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

Group	Carrying amount RM'000	Contractual interest rate/ coupon/ discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>2024</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	1,342,118	-	1,342,118	1,342,118	-	-	-
Bank loans	935,626	*	1,002,956	491,188	372,142	89,572	50,054
Islamic Medium-Term Notes	2,250,000	2.80 - 4.81	2,535,965	784,460	263,460	1,174,695	313,350
Revolving credits	284,261	3.20 - 3.85	284,261	284,261	-	-	-
Bankers' acceptances	400,634	3.15 - 4.68	400,634	400,634	-	-	-
Bank overdrafts	4	3.65	4	4	-	-	-
Lease liabilities	213,877	2.44 - 6.01	236,963	27,584	35,038	51,863	122,478
	<b>5,426,520</b>		<b>5,802,901</b>	<b>3,330,249</b>	<b>670,640</b>	<b>1,316,130</b>	<b>485,882</b>
<i>Derivatives</i>							
Commodity swaps and options	16,336		16,336	7,971	8,365	-	-
Forward exchange contracts (gross settled):							
Outflow	-	-	13,916,209	3,661,421	2,962,304	6,177,319	1,115,165
Inflow	(262,518)	-	(14,178,727)	(3,627,337)	(2,994,646)	(6,371,174)	(1,185,570)
Cross currency swaps (gross settled):							
Outflow	21,494	-	1,921,494	734,713	203,952	898,477	84,352
Inflow	-	-	(1,900,000)	(700,000)	(200,000)	(915,000)	(85,000)
	<b>5,201,832</b>		<b>5,578,213</b>	<b>3,407,017</b>	<b>650,615</b>	<b>1,105,752</b>	<b>414,829</b>

\* Represents lenders' cost of funds ranging from a margin of +3.43% to +5.65% and Secured Overnight Financing Rate ("SOFR") ranging from margin of +1.10% to +3.00% per annum.

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.5 Liquidity risk (cont'd)

Maturity analysis (cont'd)

Group	Carrying amount RM'000	Contractual interest rate/ coupon/ discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>2023</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	1,248,913	-	1,248,913	1,248,913	-	-	-
Bank loans	1,386,884	*	1,534,370	664,825	387,576	443,174	38,795
Islamic Medium-Term Notes	2,800,000	2.69 - 4.45	3,201,015	649,255	799,255	1,167,455	585,050
Revolving credits	184,043	3.70 - 3.95	186,334	186,334	-	-	-
Bankers' acceptances	19,493	4.15 - 5.35	20,302	20,302	-	-	-
Bank overdrafts	8,366	2.90 - 3.95	8,366	8,366	-	-	-
Lease liabilities	229,067	2.44 - 6.01	243,691	28,601	23,515	53,245	138,330
	5,876,766		6,442,991	2,806,596	1,210,346	1,663,874	762,175
<i>Derivatives</i>							
Commodity swaps and options	90,950	-	90,950	15,659	39,577	35,714	-
Forward exchange contracts (gross settled):							
Outflow	202,650	-	16,733,556	4,286,968	3,011,261	7,183,968	2,251,359
Inflow	-	-	(16,530,906)	(4,211,929)	(2,950,745)	(7,111,102)	(2,257,130)
Cross currency swaps (gross settled):							
Outflow	95,607	-	2,480,607	586,430	738,948	822,474	332,755
Inflow	-	-	(2,385,000)	(550,000)	(700,000)	(800,000)	(335,000)
	6,265,973		6,832,198	2,933,724	1,349,387	1,794,928	754,159

\* Represents lenders' cost of funds ranging from a margin of +3.43% to +5.65% and Secured Overnight Financing Rate ("SOFR") ranging from margin of +1.10% to +3.00% per annum.

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.5 Liquidity risk (cont'd)

Maturity analysis (cont'd)

Company	Carrying amount RM'000	Contractual interest rate/ coupon/ discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>2024</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	64,409	-	64,409	64,409	-	-	-
Bank loans	518,791	#	944,825	364,333	295,695	284,797	-
Islamic Medium-Term Notes	2,250,000	2.80 - 4.45	2,535,965	784,460	263,460	1,174,695	313,350
Financial guarantees	-	-	997,932	997,932	-	-	-
	<b>2,833,200</b>		<b>4,543,131</b>	<b>2,211,134</b>	<b>559,155</b>	<b>1,459,492</b>	<b>313,350</b>
<i>Derivative financial liabilities</i>							
Cross currency swaps (gross settled):							
Outflow	17,630	-	967,630	524,869	203,952	238,809	-
Inflow	-	-	(950,000)	(500,000)	(200,000)	(250,000)	-
	<b>2,850,830</b>		<b>4,560,761</b>	<b>2,236,003</b>	<b>563,107</b>	<b>1,448,301</b>	<b>313,350</b>
<b>2023</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	60,953	-	60,953	60,953	-	-	-
Bank loans	839,567	#	944,825	364,333	295,695	284,797	-
Islamic Medium-Term Notes	2,800,000	2.69 - 4.45	3,201,015	649,255	799,255	1,167,455	585,050
Financial guarantees	-	-	712,039	712,039	-	-	-
	<b>3,700,520</b>		<b>4,918,832</b>	<b>1,786,580</b>	<b>1,094,950</b>	<b>1,452,252</b>	<b>585,050</b>
<i>Derivative financial liabilities</i>							
Cross currency swaps (gross settled):							
Outflow	69,209	-	1,569,209	586,430	528,150	206,665	247,964
Inflow	-	-	(1,500,000)	(550,000)	(500,000)	(200,000)	(250,000)
	<b>3,769,729</b>		<b>4,988,041</b>	<b>1,823,010</b>	<b>1,123,100</b>	<b>1,458,917</b>	<b>583,014</b>

# Represents SOFR ranging from a margin of +1.50% to +3.00% per annum.

\* Represents lenders' cost of funds ranging from a margin of +1.40% to +3.00% per annum.

## Notes to the Financial Statements

**28. FINANCIAL INSTRUMENTS (CONT'D)****28.6 Market risk**

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

**28.6.1 Currency risk**

The Group is exposed to foreign currency risk on sales, purchases, cash and cash equivalents, derivatives and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily Australian Dollar ("AUD"), Renminbi ("RMB"), Singapore Dollar ("SGD"), U.S. Dollar ("USD"), Euro ("EUR") and Great Britain Pound ("GBP").

***Risk management objectives, policies and processes for managing the risk***

The Group actively monitors its exposure to foreign currency risk and uses forward exchange contracts and cross currency swaps to mitigate the risk when the need arises. Some of the forward exchange contracts and cross currency swaps have maturities of more than five years after the end of the reporting period. Where necessary, the forward exchange contracts are rolled over at maturity.





## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.6 Market risk (cont'd)

## 28.6.1 Currency risk (cont'd)

*Exposure to foreign currency risk (cont'd)*

Company Functional currency Foreign currency	RM USD RM'000	RM RMB RM'000	RM IDR RM'000
<b>2024</b>			
<b>Balances recognised in the statement of financial position</b>			
Trade and other receivables	22	-	-
Cash and cash equivalents	95,284	49,841	36,347
Loans and borrowings	(518,791)	-	-
Trade and other payables	(54)	-	-
	<b>(423,539)</b>	<b>49,841</b>	<b>36,347</b>
<b>Forecast transaction</b>			
Net derivative liabilities - Cross currency swaps	950,000	-	-
Forecast loan repayment	(950,000)	-	-
	-	-	-
<b>Net exposure</b>	<b>(423,539)</b>	<b>49,841</b>	<b>36,347</b>
<b>2023</b>			
<b>Balances recognised in the statement of financial position</b>			
Trade and other receivables	22	-	-
Cash and cash equivalents	106,554	62,180	-
Loans and borrowings	(839,567)	-	-
	<b>(732,991)</b>	<b>62,180</b>	<b>-</b>
<b>Forecast transaction</b>			
Net derivative liabilities - Cross currency swaps	1,500,000	-	-
Forecast loan repayment	(1,500,000)	-	-
	-	-	-
<b>Net exposure</b>	<b>(732,991)</b>	<b>62,180</b>	<b>-</b>

**Currency risk sensitivity analysis**

Foreign currency risk mainly arises from USD, RMB and IDR against RM. The exposure to other currencies is not material and hence, sensitivity analysis is not presented.

A 10% (2023: 10%) strengthening of RM against the following currencies at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted transactions.

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.6 Market risk (cont'd)

## 28.6.1 Currency risk (cont'd)

*Currency risk sensitivity analysis (cont'd)*

	Equity			
	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>USD against RM</b>	<b>49,296</b>	74,278	<b>38,581</b>	58,406

	Profit of loss			
	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>USD, RMB, AUD and EUR against RM</b>				
- USD	<b>(74,140)</b>	(69,631)	<b>6,392</b>	2,699
- RMB	<b>(8,258)</b>	(13,078)	-	-
- AUD	<b>(3,078)</b>	(8,862)	-	-
- EUR	<b>(14,873)</b>	(14,285)	-	-
	<b>(100,349)</b>	(105,856)	<b>6,392</b>	2,699

A 10% (2023: 10%) weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

## 28.6.2 Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investments in equity securities and short-term receivables and payables are not significantly exposed to interest rate risk.

***Risk management objectives, policies and processes for managing the risk***

Interest rate exposure arising from the Group's borrowings is managed through the use of fixed and floating rate debts. The Group will consider entering into derivative financial instruments where necessary to achieve an appropriate mix of fixed and floating rate exposure within the Group's policy.

The Group and the Company are also exposed to the ongoing Secured Overnight Financing Rate ("SOFR") on its financial instruments. The SOFR is a benchmark interest rate for dollar-denominated derivatives and loans that replaced the London Interbank Offered Rate ("LIBOR").

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.6 Market risk (cont'd)

## 28.6.2 Interest rate risk (cont'd)

*Exposure to interest rate risk*

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Fixed rate instruments</b>				
Financial assets	7,063	171,097	-	-
Financial liabilities	(2,463,877)	(3,029,067)	(2,250,000)	(2,800,000)
	<b>(2,456,814)</b>	<b>(2,857,970)</b>	<b>(2,250,000)</b>	<b>(2,800,000)</b>
<b>Floating rate instruments</b>				
Financial liabilities	(1,620,525)	(1,598,786)	(518,791)	(839,567)

*Interest rate risk sensitivity analysis**Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

*Cash flow sensitivity analysis for variable rate instruments*

A change of 30 basis points ("bp") in interest rates at the end of the reporting period would have increased/ (decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Profit or loss			
	2024		2023	
	30 bp increase RM'000	30 bp decrease RM'000	30 bp increase RM'000	30 bp decrease RM'000
<b>Group</b>				
Floating rate instruments	(3,695)	3,695	(3,645)	3,645
<b>Company</b>				
Floating rate instruments	(1,183)	1,183	(1,914)	1,914

## Notes to the Financial Statements

**28. FINANCIAL INSTRUMENTS (CONT'D)****28.6 Market risk (cont'd)****28.6.3 Other price risk**

Other price risk arises from price fluctuation risk mainly on aluminium related products. The Group is exposed to commodity price risk due to fluctuations in aluminium prices. The Group's aluminium products are generally priced with reference to the London Metal Exchange ("LME") aluminium rates. The Group has entered into commodity swaps and options to manage its exposure to movements in LME aluminium rates (see Note 28.7.2).

***Risk management objectives, policies and processes for managing the risk***

The Group mitigates its risk to the price volatility through establishing fixed price level that the Group considers acceptable and where deemed prudent, entering into commodity fixed price contracts.

***Commodity price risk sensitivity analysis***

A 10% (2023: 10%) increase in LME aluminium rates at the end of the reporting period would have decreased equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables remained constant.

	Equity		Profit or loss	
	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
10% increase in LME aluminium rates	15,215	6,489	-	-

A 10% (2023: 10%) decrease in LME aluminium rates would have had equal but opposite effect to the amounts shown above, on the basis that all other variables remained constant.

## Notes to the Financial Statements

### 28. FINANCIAL INSTRUMENTS (CONT'D)

#### 28.7 Hedging activities

##### 28.7.1 Currency risk – Transactions in foreign currency

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currency in which sales are denominated and the respective functional currencies of the Group. The functional currencies of Group entities are primarily the Malaysian Ringgit ("MYR"). The currency in which these sales transactions are primarily denominated is U.S. Dollars ("USD").

The Group's risk management policy is to hedge up to 30% of its estimated foreign currency exposure in respect of forecast sales collection over the following 12 to 120 months at any point in time. The Group purchases forward foreign exchange contracts and borrows in USD to hedge foreign sales transactions. The Group designates the forward foreign exchange contracts and foreign currency loans and borrowings in their entirety to hedge its currency risk and applies a hedge ratio of 1:1. Some of these contracts have a maturity of more than 5 years from the reporting date while the term of the foreign currency loans and borrowings ranges from 4 to 5 years. The Group determines the critical terms of the forward exchange contracts and foreign currency loans and borrowings to align with the hedged items.

The Group and the Company also entered into cross currency swaps to swap their RM denominated loan to USD. The swap was performed to manage the Group's exposure to USD and RM within the Group's policy.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivatives and foreign currency loans and borrowings designated in each hedging relationship are expected to be and have been effective in offsetting changes in cash flows of the hedged item.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the forward foreign exchange contracts, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and
- changes in the timing of the hedged transactions.

##### 28.7.2 Commodity price risk

The Group is exposed to commodity price risk due to fluctuations in aluminium prices. The Group's aluminium products are generally priced with reference to the LME aluminium rates.

The Group adopts a policy of ensuring that up to 65% of its commodity price risk exposure is at a fixed rate. This is achieved by entering into commodity swaps and options as hedges of the variability in cash flows attributable to movements in commodity prices. The Group adjusts its hedge ratio for each commodity contract entered to minimise the potential ineffectiveness arising from such contracts.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference commodity prices, tenors, maturities and the notional or par amounts. The Group assesses whether the derivatives designated in each hedging relationship are expected to be and have been effective in offsetting changes in cash flows of the hedged item.

In these hedge relationships, the main sources of ineffectiveness are:

- the differences in grades of aluminium produced by the Group and those provided in derivative contracts by financial institutions for the Group to enter into; and
- changes in the timing of the hedged transactions.

## Notes to the Financial Statements

**28. FINANCIAL INSTRUMENTS (CONT'D)****28.7 Hedging activities (cont'd)****28.7.3 Cash flow hedge**

As at the end of the reporting period, the Group held the following instruments to hedge exposures to changes in foreign currency and commodity prices.

	Maturity			
	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>Group</b>				
<b>2024</b>				
<b>Foreign currency risk</b>				
Loans and borrowings	304,334	328,631	15,664	-
Forward exchange contracts				
Net exposure	3,525,782	2,994,646	6,371,174	1,185,570
Average MYR:USD forward contract	4.4723	4.4867	4.4982	4.5015
Average MYR:CNY forward contract	0.6148	-	-	-
Average AUD:USD forward contract	0.6700	-	-	-
Average CNY:USD forward contract	7.0807	-	-	-
Cross currency swaps				
Net exposure	-	200,000	915,000	85,000
Average MYR:USD cross currency swaps	-	4.1870	4.3371	1.0000
<b>Commodity price risk</b>				
Commodity swaps and options				
Net exposure	3,900,339	4,117,451	2,789,355	-
Average USD/MT commodity swaps and options	2,595	2,680	2,757	-

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.7 Hedging activities (cont'd)

## 28.7.3 Cash flow hedge (cont'd)

	Maturity			
	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>Group</b>				
<b>2023</b>				
<b>Foreign currency risk</b>				
Loans and borrowings	312,120	312,120	353,103	-
Forward exchange contracts				
Net exposure	4,134,720	2,950,745	7,111,102	2,257,130
Average MYR:USD forward contract	4.426	4.406	4.436	4.470
Average MYR:CNY forward contract	0.651	-	-	-
Average MYR:GBP forward contract	5.826	-	-	-
Average AUD:USD forward contract	0.673	-	-	-
Average CNY:USD forward contract	7.101	-	-	-
Average AUD:MYR forward contract	3.032	-	-	-
Cross currency swaps				
Net exposure	550,000	700,000	800,000	335,000
Average MYR:USD cross currency swaps	4.187	4.192	4.222	4.187
<b>Commodity swaps and options</b>				
Net exposure	1,826,766	1,414,868	826,255	-
Average USD/MT commodity swaps and options	2,617	2,569	2,602	-

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.7 Hedging activities (cont'd)

## 28.7.3 Cash flow hedge (cont'd)

	Maturity			
	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>Company</b>				
<b>2024</b>				
<b>Foreign currency risk</b>				
Loans and borrowings	241,677	265,974	-	-
Cross currency swaps				
Net exposure	-	200,000	250,000	-
Average MYR:USD cross currency swaps	-	4.1870	4.1870	-
<b>2023</b>				
<b>Foreign currency risk</b>				
Loans and borrowings	247,860	247,860	272,778	-
Cross currency swaps				
Net exposure	550,000	500,000	200,000	250,000
Average MYR:USD cross currency swaps	4.464	4.424	4.327	4.153

The amounts at the reporting date relating to items designated as hedged items were as follows:

	Cash flow hedge reserve RM'000	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied RM'000
<b>Group</b>		
<b>2024</b>		
<b>Foreign currency risk</b>		
Forecast sales – Loans and borrowings	(43,070)	18,047
Forecast sales – Forward exchange contracts	210,537	-
Forecast loan repayments – Cross currency swaps	9,913	-
<b>Commodity price risk</b>		
Forecast sales – Commodity swaps and options	199,692	-
<b>Total hedging reserve</b>	<b>377,072</b>	
Non-controlling interests share of hedging reserve	(83,034)	-
<b>Hedging reserve attributable to owners of the Company</b>	<b>294,038</b>	

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.7 Hedging activities (cont'd)

## 28.7.3 Cash flow hedge (cont'd)

	Cash flow hedge reserve RM'000	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied RM'000
<b>Group</b>		
<b>2023</b>		
<b>Foreign currency risk</b>		
Forecast sales – Loans and borrowings	(96,258)	5,652
Forecast sales – Forward exchange contracts	(198,691)	-
Forecast loan repayments – Cross currency swaps	(77,184)	-
<b>Commodity price risk</b>		
Forecast sales – Commodity swaps and options	85,412	-
<b>Total hedging reserve</b>	(286,721)	
Non-controlling interests share of hedging reserve	27,460	-
<b>Hedging reserve attributable to owners of the Company</b>	(259,261)	
<b>Company</b>		
<b>2024</b>		
<b>Foreign currency risk</b>		
Forecast loan repayments – Cross currency swaps	5,501	-
<b>Company</b>		
<b>2023</b>		
<b>Foreign currency risk</b>		
Forecast loan repayments – Cross currency swaps	(52,598)	-

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.7 Hedging activities (cont'd)

## 28.7.3 Cash flow hedge (cont'd)

The amounts relating to items designated as hedging instruments are as follows:

	Nominal amount RM'000	Carrying amount		Line item in the statement of financial position where the hedging instrument is included
		Assets RM'000	Liabilities RM'000	
<b>Group</b>				
<b>2024</b>				
<b>Foreign currency risk</b>				
Loans and borrowings	648,629	-	(61,117)	Loans and borrowings
Forward exchange contracts	14,077,172	320,677	(57,987)	Derivative financial assets/(liabilities)
Cross currency swaps	1,200,000	17,726	(4,507)	Derivative financial assets/(liabilities)
<b>Commodity price risk</b>				
Commodity swaps and options	10,807,145	216,532	(16,291)	Derivative financial assets/(liabilities)
<b>2023</b>				
<b>Foreign currency risk</b>				
Loans and borrowings	977,343	-	(101,910)	Loans and borrowings
Forward exchange contracts	16,453,697	47,529	(249,574)	Derivative financial assets/(liabilities)
Cross currency swaps	2,385,000	2,245	(97,852)	Derivative financial assets/(liabilities)
<b>Commodity price risk</b>				
Commodity swaps and options	4,067,889	176,332	(90,950)	Derivative financial assets/(liabilities)
<b>Company</b>				
<b>2024</b>				
<b>Foreign currency risk</b>				
Cross currency swaps	450,000	11,191	(3,952)	Derivative financial assets/(liabilities)
<b>2023</b>				
<b>Foreign currency risk</b>				
Cross currency swaps	1,500,000	2,036	(71,245)	Derivative financial assets/(liabilities)

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.7 Hedging activities (cont'd)

## 28.7.3 Cash flow hedge (cont'd)

	Changes in the value of hedging instrument recognised in other comprehensive income RM'000	Amount reclassified from hedge reserve to profit or loss RM'000	Line item in profit or loss affected by the reclassification
<b>Group</b>			
<b>2024</b>			
<b>Foreign currency risk</b>			
Loans and borrowings	47,138	6,051	Revenue
Forward exchange contracts	330,214	134,519	Revenue
Cross currency swaps	67,449	41,376	Other expenses
<b>Commodity price risk</b>			
Commodity swaps and options	507,826	(392,925)	Revenue
<b>2023</b>			
<b>Foreign currency risk</b>			
Loans and borrowings	(11,659)	7,357	Revenue
Forward exchange contracts	(677,489)	162,855	Revenue
Cross currency swaps	(137,236)	22,855	Other expenses
<b>Commodity price risk</b>			
Commodity swaps and options	331,367	(212,332)	Revenue
<b>Company</b>			
<b>2024</b>			
<b>Foreign currency risk</b>			
Cross currency swaps	51,577	24,869	
<b>2023</b>			
<b>Foreign currency risk</b>			
Cross currency swaps	(84,314)	-	

The hedge ineffectiveness arising from the above items is immaterial to be recognised in profit or loss for both the current and previous financial years.

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.7 Hedging activities (cont'd)

## 28.7.3 Cash flow hedge (cont'd)

The following table provides reconciliation by risk category of components of equity and analysis of OCI items, resulting from cash flow hedge accounting.

	Hedging reserve	
	2024 RM'000	2023 RM'000
<b>Group</b>		
<b>Balance at 1 January</b>	<b>(286,721)</b>	167,161
<b>Cash flow hedge</b>		
Net hedging (loss)/gain:		
Foreign currency risk	<b>444,801</b>	(826,384)
Commodity price risk	<b>507,826</b>	331,367
Amount reclassified to profit or loss:		
Foreign currency risk	<b>181,946</b>	193,067
Commodity price risk	<b>(392,925)</b>	(212,332)
Share of losses of hedging reserve of an equity-accounted associate	<b>1,336</b>	(3,607)
Tax on movements on reserve during the year (Note 11)	<b>(79,191)</b>	64,007
<b>Balance at 31 December</b>	<b>377,072</b>	(286,721)
<b>Hedging reserve attributable to:</b>		
Owners of the Company	<b>294,038</b>	(259,261)
Non-controlling interests	<b>83,034</b>	(27,460)
<b>Balance at 31 December</b>	<b>377,072</b>	(286,721)
<b>Company</b>		
<b>Balance at 1 January</b>	<b>(52,598)</b>	11,481
<b>Cash flow hedge</b>		
Net hedging (loss)/gain:		
Foreign currency risk	<b>51,577</b>	(84,314)
Amount reclassified to profit or loss:		
Foreign currency risk	<b>24,869</b>	-
Tax on movements on reserve during the year (Note 11)	<b>(18,347)</b>	20,235
<b>Balance at 31 December</b>	<b>5,501</b>	(52,598)

## 28.7.4 Material accounting policy information

For cash flow hedge, the Group has elected to account for the entire forward contract/swap as a hedging instrument in its entirety. The forward element of these forward contracts/swaps is not separately accounted for from its spot element. Accordingly, the change in fair value of the entire forward contract/swap is recognised in the hedging reserve in equity.

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.8 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The table below analyses other financial instruments at fair value.

Group	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	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total					
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000					
<b>2024</b>													
<b>Financial assets</b>													
Unquoted shares	-	-	1,803	1,803	-	-	-	-	-	-	-	1,803	1,803
Derivatives	-	555,537	-	555,537	-	-	-	-	-	-	-	555,537	555,537
	-	555,537	1,803	557,340	-	-	-	-	-	-	-	557,340	557,340
<b>Financial liabilities</b>													
Derivatives	-	(114,317)	-	(114,317)	-	-	-	-	-	-	-	(114,317)	(114,317)
IMTN	-	-	-	-	-	-	(2,250,816)	(2,250,816)	(2,250,816)	(2,250,816)	(2,250,816)	(2,250,000)	(2,250,000)
Bank loans	-	-	-	-	-	-	(935,626)	(935,626)	(935,626)	(935,626)	(935,626)	(935,626)	(935,626)
	-	(114,317)	-	(114,317)	-	-	(3,186,442)	(3,186,442)	(3,186,442)	(3,186,442)	(3,186,442)	(3,299,943)	(3,299,943)
<b>2023</b>													
<b>Financial assets</b>													
Unquoted shares	-	-	1,803	1,803	-	-	-	-	-	-	-	1,803	1,803
Derivatives	-	226,408	-	226,408	-	-	-	-	-	-	-	226,408	226,408
	-	226,408	1,803	228,211	-	-	-	-	-	-	-	228,211	228,211
<b>Financial liabilities</b>													
Derivatives	-	(439,283)	-	(439,283)	-	-	-	-	-	-	-	(439,283)	(439,283)
IMTN	-	-	-	-	-	-	(2,815,006)	(2,815,006)	(2,815,006)	(2,815,006)	(2,815,006)	(2,800,000)	(2,800,000)
Bank loans	-	-	-	-	-	-	(1,386,884)	(1,386,884)	(1,386,884)	(1,386,884)	(1,386,884)	(1,386,884)	(1,386,884)
	-	(439,283)	-	(439,283)	-	-	(4,201,890)	(4,201,890)	(4,201,890)	(4,201,890)	(4,201,890)	(4,626,167)	(4,626,167)

## Notes to the Financial Statements

## 28. FINANCIAL INSTRUMENTS (CONT'D)

## 28.8 Fair value information (cont'd)

Company	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
<b>2024</b>										
<b>Financial assets</b>										
Loans to a subsidiary	-	-	-	-	-	-	1,595,249	1,595,249	1,595,249	1,595,249
Derivatives	-	11,191	-	11,191	-	-	-	-	11,191	11,191
	-	11,191	-	11,191	-	-	1,595,249	1,595,249	1,606,440	1,606,440
<b>Financial liabilities</b>										
Derivatives	-	(28,821)	-	(28,821)	-	-	-	-	(28,821)	(28,821)
IMTN	-	-	-	-	-	-	(2,250,816)	(2,250,816)	(2,250,816)	(2,250,000)
Bank loans	-	-	-	-	-	-	(518,791)	(518,791)	(518,791)	(518,791)
	-	(28,821)	-	(28,821)	-	-	(2,769,607)	(2,769,607)	(2,798,428)	(2,797,612)
<b>2023</b>										
<b>Financial assets</b>										
Loans to a subsidiary	-	-	-	-	-	-	1,459,776	1,459,776	1,459,776	1,459,776
Derivatives	-	2,036	-	2,036	-	-	-	-	2,036	2,036
	-	2,036	-	2,036	-	-	1,459,776	1,459,776	1,461,812	1,461,812
<b>Financial liabilities</b>										
Derivatives	-	(71,245)	-	(71,245)	-	-	-	-	(71,245)	(71,245)
IMTN	-	-	-	-	-	-	(2,815,006)	(2,815,006)	(2,815,006)	(2,800,000)
Bank loans	-	-	-	-	-	-	(839,567)	(839,567)	(839,567)	(839,567)
	-	(71,245)	-	(71,245)	-	-	(3,654,573)	(3,654,573)	(3,725,818)	(3,710,812)

## Notes to the Financial Statements

**28. FINANCIAL INSTRUMENTS (CONT'D)****28.8 Fair value information (cont'd)****Level 2 fair value***Derivatives*

The fair value of derivatives is determined by reference to statements provided by the respective financial institutions with which these contracts were entered into.

*Transfers between Level 1 and Level 2 fair values*

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2023: no transfer in either direction).

**Level 3 fair value***Valuation process applied by the Group for Level 3 fair value*

For financial instruments not carried at fair value, the Group has applied discounted cash flows valuation technique using a rate based on the current market rate of borrowings of the respective Group entities at the reporting date in the determination of fair values within Level 3. The Group's treasury team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

**29. CAPITAL MANAGEMENT**

The Group's objectives when managing capital are to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

The debt-to-equity ratios at 31 December 2024 and 31 December 2023 were as follows:

	Note	Group	
		2024 RM'000	2023 RM'000
Loans and borrowings	16	<b>3,870,525</b>	4,398,786
Lease liabilities		<b>213,877</b>	229,067
Less: Cash and bank balances	14	<b>(1,508,748)</b>	(1,228,008)
Net debt		<b>2,575,654</b>	3,399,845
Total equity		<b>10,305,137</b>	8,396,253
Debt-to-equity ratio		<b>0.25</b>	0.40

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

The Group has not breached any of the loan covenants disclosed in Note 16.

## Notes to the Financial Statements

## 30. CAPITAL AND OTHER COMMITMENTS

	Group	
	2024 RM'000	2023 RM'000
<b>Capital expenditure commitments</b>		
<b>Property, plant and equipment</b>		
Contracted but not provided for	464,000	143,500

## 31. RELATED PARTIES

**Identity of related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group.

The Group has related party relationship with its significant investors, subsidiaries, associates and key management personnel. In the context of these financial statements, associates also include the subsidiaries of the associates.

**Significant related party transactions**

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and of the Company are shown below. The balances related to the below transactions are shown in Notes 12 and 18.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>A. Subsidiaries</b>				
Dividend income	-	-	(576,000)	(692,400)
Management fee income	-	-	(41,992)	(37,078)
Interest income on loans	-	-	(109,264)	(103,598)
Transfer of equity instruments	-	-	1,309,800	-
Short-term lease payments	-	-	659	659
<b>B. Associates</b>				
Dividend received	(119,831)	(51,250)	(119,831)	(43,470)
Dividend receivable	(297,773)	-	-	-
Interest income on ICULS	-	(1,765)	-	(1,765)
Lease payments	-	19	-	-
Sale of goods	(45,022)	(33,760)	-	-
Purchase of goods	2,298,408	2,342,419	-	-
<b>C. Directors</b>				
Fees	1,143	1,007	1,143	1,007
Remuneration	12,826	12,628	12,263	11,460
Total short-term employee benefits	13,969	13,635	13,406	12,467
Short-term lease payments	-	-	-	-
	13,969	13,635	13,406	12,467

## Notes to the Financial Statements

**32. BUSINESS COMBINATIONS**

2024

**32.1 Acquisition of an indirect subsidiary****PT Kalimantan Alumina Indonesia (“PTKAN”)**

In September 2024, the Group, via its wholly-owned subsidiary, Press Metal International Resources (HK) Limited (“PMIRHK”), entered into a share subscription agreement (“SSA”) and a shareholders’ agreement (“SHA”) with PT Alakasa Alumina Refineri (“AAR”) and PT Dinamika Sejahtera Mandiri (“DSM”), for the subscription of 80% equity interest in PTKAN, where DSM had surrendered 100% of its equity interest in PTKAN to PMIRHK and AAR in exchange for 2.75% or 687,500 “Series A” shares in the proposed new joint venture in PTKAN valued at USD687,500 (equivalent to approximately RM2,968,000). PMIRHK and AAR hold 80.00% and 17.25% equity interest in PTKAN respectively. The acquisition of PTKAN has further expanded the Group’s involvement in the upstream market.

Based on the SSA and SHA, the Group had committed for capital injections of USD240,000,000 (equivalent to approximately RM1,036,000,000), to be executed in seven tranches over the next year.

In October 2024, the Group, via its wholly-owned subsidiary, PMIRHK, completed the first tranche of subscription, where the Group injected USD20,000,000 (equivalent to approximately RM88,000,000) for 20,000,000 “Series B” shares in PTKAN.

In December 2024, the second tranche of subscription was executed, where the Group further injected USD40,000,000 (equivalent to approximately RM176,000,000) for “Series C” shares in PTKAN, maintaining the Group’s 80% equity interest. The effects of the acquisition are not material to be disclosed.

**Everpress Aluminium Industries Sdn. Bhd.**

In January 2024, the Group, via its wholly-owned subsidiary, Press Metal Berhad completed the acquisition of entire equity interest in Everpress Aluminium Industries Sdn. Bhd. for a total cash consideration of RM5,000,000, effectively gaining ownership in its direct subsidiaries, Centpro International Trading Co., Ltd. and Changde Centpro Trading Co., Ltd.. The acquisition was aimed at improving the Group’s supply chain efficiency within the China market.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets and liabilities assumed at the acquisition date:

	<b>Group 2024 RM’000</b>
<b>Fair value of consideration transferred</b>	
Cash and cash equivalents	<b>5,000</b>

## Notes to the Financial Statements

**32. BUSINESS COMBINATIONS (CONT'D)****2024 (cont'd)****32.1 Acquisition of an indirect subsidiary (cont'd)**

	Note	Group 2024 RM'000
<b>Identifiable assets acquired and liabilities assumed</b>		
Property, plant and equipment	3	31,211
Right-of-use assets	4	3,177
Investments properties	5	1,429
Inventories		439
Trade and other receivables		81,770
Cash and cash equivalents		1,796
Current tax liabilities		(1,890)
Loans and borrowings		(2,830)
Trade and other payables		(110,075)
Total identifiable net assets		5,027
<b>Net cash outflow arising from acquisition of subsidiaries</b>		
Purchase consideration settled in cash and cash equivalents		(5,000)
Cash and cash equivalents acquired		1,796
		(3,204)
<b>Negative Goodwill</b>		
Negative/goodwill was recognised as a result of the acquisition as follows:		
Total consideration transferred		5,000
Fair value of identifiable net assets		(5,027)
Negative goodwill		(27)

**Acquisition-related costs**

The group incurred acquisition-related costs of RM200,000 related to external legal fees and due diligence costs. The legal fees and due diligence costs have been included in administrative expenses in the Group's consolidated statement of profit or loss and other comprehensive income.

**32.2 Additional acquisition of an interest in a subsidiary**

In December 2024, the Group, via its wholly-owned subsidiary, Press Metal (HK) Limited effectively acquired 0.8% equity interest in a subsidiary, Press Metal International Limited ("PMI") for a total cash consideration of RMB6,331,000 (equivalent to approximately RM3,885,000), increasing its ownership in PMI and its direct subsidiaries ("collectively known as PMI subgroup") from 88.3% to 89.1%. The carrying amount of PMI subgroup's net assets in the Group's financial statements on the date of acquisition was RM786,952,000.

The Group recognised a decrease in non-controlling interests of RM6,689,000 and an increase in retained earnings of RM2,804,000.

## Notes to the Financial Statements

### 32. BUSINESS COMBINATIONS (CONT'D)

2023

#### 32.3 Partial disposal of interest in a subsidiary

In December 2023, the Group, via its wholly-owned subsidiary, Press Metal (HK) Limited disposed of 4.1% equity interest in a subsidiary, Press Metal International Limited (“PMI”) to third parties for a total cash consideration of RMB41,345,000 (equivalent to approximately RM27,019,000), decreasing its ownership in PMI and its direct subsidiaries (“collectively known as PMI subgroup”) from 92.4% to 88.3%. The carrying amount of PMI subgroup’s net assets in the Group’s financial statements on the date of disposal was RM796,634,000.

The Group recognised an increase in non-controlling interests of RM32,662,000 and a decrease in retained earnings of RM5,643,000.

### 33. INTEREST IN JOINT OPERATION

The Group has a 50% (2023: 50%) ownership interest in a joint operation, Japan Alumina Associates (Australia) Pty. Ltd. (“JAA”) with Sojitz Corporation. JAA’s principal place of business is in Australia. JAA markets the share of alumina produced through its participation in a bauxite mine and an alumina refinery and is strategic for the Group in ensuring its long-term access to raw material which reduces its exposure and reliance on third party suppliers. The Group and Sojitz Corporation have equal board representatives in JAA and all relevant decisions require unanimous votes from the shareholders. Based on the shareholders’ agreement, the Group and Sojitz Corporation are entitled to the outputs produced by JAA in proportion to their respective shareholdings in JAA. In view that the Group has rights to the assets, and obligations for the liabilities relating to JAA, therefore the investment in JAA is accounted for as a joint operation.

### 34. SIGNIFICANT EVENTS

#### 34.1 Share swap exercise between associates

In August 2024, the Company entered into a sales and purchase agreement (“SPA”) with Hong Kong Prime Aluminium Investment Ltd (“HKPAI”), for the disposal of 25% equity interest in PT Bintan Alumina Indonesia (“PT BAI”) for a total consideration of USD329,798,000 (equivalent to approximately RM1,595,249,000), to be settled through the issuance of a Promissory Note by HKPAI to the Company.

At the same time, the Group, via its wholly owned subsidiary, Press Metal International Resources (HK) Limited (“PMIRHK”), entered into a share subscription agreement (“SSA”) with Nanshan Aluminium International Holdings Limited (“NAIHL”) for the subscription of 25.59% equity interest in NAIHL for a total consideration of USD329,798,000 (equivalent to approximately RM1,595,249,000), to be settled through a deed of assignment (“DOA”) which was erected between the Company, PMIRHK and NAIHL to effectively assign and transfer all the Company’s rights, title, interest and benefit in and to the Promissory Note from HKPAI to NAIHL.

## Notes to the Financial Statements

**34. SIGNIFICANT EVENTS (CONT'D)****34.2 Fire incident**

In September 2024, a fire incident occurred at the Phase 3 smelter plant of Press Metal Bintulu Sdn. Bhd. ("PM Bintulu") which is 80%-owned by the Group. The incident resulted in damages to plant and machineries with net book value of approximately RM129,748,000. These plant and machineries were subsequently being written off. The subsidiary was unable to operate the Phase 3 smelter plant for the next few months for repair works, resulting to approximately 3% of the Group's total smelting capacity being affected.

PM Bintulu subsequently made a claim to its insurer for the replacement costs of the damaged plant and machineries for up to a total of RM150,000,000. As at the end of the current financial year, the insurer has acknowledged and paid an interim claim of RM50,000,000 and RM36,710,000 respectively. The final claim is still being assessed by the insurers, of which no payment has been received as of to date.

**35. SUBSEQUENT EVENT****35.1 Memorandum of understanding ("MOU") with Bintulu Development Authority ("BDA")**

Subsequent to the reporting period, in February 2025, the Group had entered into a MOU with BDA for a proposed joint venture related to a solar frame extrusion facility with an annual production capacity of 80,000 tons, to be located in Samalaju Industrial Park, Bintulu.

Under the terms of the MOU, which is valid for three years, a special purpose vehicle will be formed with BDA holding a 20% stake and the Group holding the remaining 80% stake.

The total estimated investment for the project is RM600 million, comprising a 20% capital injection in proportion to the parties' shareholdings and 80% external financing. Operations are expected to commence by mid-2026, subject to regulatory approvals and final agreements.

**35.2 Fifth issuance of Sukuk Wakalah under the Sukuk Programme**

On 19 March 2025, the company made its fifth issuance of the Sukuk Programme for an aggregate nominal value of RM1.5 billion with tenures of 7 years, 10 years and 15 years repayable as follows:-

- RM350 million due in 2032
- RM700 million due in 2035
- RM450 million due in 2040

**35.3 Listing of associated company, Nanshan Aluminum International Holdings Limited ("NAIHL")**

On 17 March 2025, NAIHL has successfully issued and published its prospectus ("Prospectus") on the website of The Stock Exchange of Hong Kong Limited ("HKSE"). NAIHL shares are offered for subscription and trading on the Main Board of the Hong Kong Stock Exchange under the stock code 2610 commencing from 25 March 2025.

Immediately following the completion of the global offering of NAIHL shares, the Company will, through Press Metal International Resources (HK) Limited ("PMIRHK"), hold 21.75% of the issued share capital of NAIHL (assuming the Over-allotment Option (as defined in the Prospectus) is not exercised and without taking into account any shares to be issued upon exercise of any options that may be granted under the Share Option Scheme (as defined in the Prospectus)).

## STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 239 to 333 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

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

**Tan Sri Dato' Koon Poh Keong**

Director

Petaling Jaya, Selangor

Date: 28 April 2025

**Datuk Koon Poh Ming**

Director

## STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Loo Tai Choong, the officer primarily responsible for the financial management of Press Metal Aluminium Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 239 to 333 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Loo Tai Choong, NRIC: 681119-08-5045, at Kuala Lumpur in the Federal Territory on 28 April 2025.

**Loo Tai Choong**

Before me:

**Rajeev Saigal A/L Ramlabaya Saigal W 681**

Commissioner for Oaths

Kuala Lumpur

# INDEPENDENT AUDITORS' REPORT

To the members of Press Metal Aluminium Holdings Berhad  
Registration No. 201601027232 (1198171-H))  
(Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Press Metal Aluminium Holdings Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 239 to 333.

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

### Basis for Opinion

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

#### *Independence and Other Ethical Responsibilities*

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

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Hedge accounting

Refer to Note 28.7 – Financial instruments – Hedging activities.

### The key audit matter

The Group and the Company are exposed to transactional foreign currency risk to the extent that there is a mismatch between the currency in which sales are denominated and the respective functional currencies of the Group entities. The Group is also exposed to commodity price risk due to fluctuations in aluminium prices.

Derivative financial instruments are used to manage and hedge foreign currency risk and commodity price risk. The Group then applied hedge accounting to hedge its cash flows arising from highly probable forecast sale transactions.

We focused on this area because applying hedge accounting is a complex and judgemental area, particularly in assessing the appropriateness of the designation of the hedge relationship and documentation, the effectiveness of the hedge and the probability of forecast transactions. The complexity of the application of hedge accounting and the number of hedge contracts the Group and the Company entered into required us to involve senior members and spend considerable time and effort to audit this area.

## Independent Auditors' Report

To the members of Press Metal Aluminium Holdings Berhad

Registration No. 201601027232 (1198171-H))

(Incorporated in Malaysia)

### KEY AUDIT MATTERS (CONT'D)

#### How the matter was addressed in our audit

We performed the following audit procedures, among others:

- Evaluated whether the designations of the loans and borrowings, forward exchange contracts, cross currency swaps and commodity swaps form valid hedging relationships with the forecast sale transactions and loan repayments;
- Assessed whether formal designations and documentation of the hedging relationship were in place at the inception. This included evaluating whether the risk management objective and strategy for undertaking the hedge were appropriately documented;
- Determined whether the hedging relationship met the criteria of the accounting standards;
- Evaluated the probability of the forecast sale transactions by assessing the historical accuracy of management's forecasts, checking to secured sales contracts and verifying sales transacted subsequent to the end of the financial year; and
- Involved our financial risk management specialists in assessing the cash flow changes to hedged items and hedging instruments, and the hedge effectiveness.

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

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

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the Directors for the Financial Statements

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

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

## Independent Auditors' Report

To the members of Press Metal Aluminium Holdings Berhad

Registration No. 201601027232 (1198171-H))

(Incorporated in Malaysia)

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

## Independent Auditors' Report

To the members of Press Metal Aluminium Holdings Berhad

Registration No. 201601027232 (1198171-H))

(Incorporated in Malaysia)

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 7 to the financial statements.

#### Other Matter

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

#### KPMG PLT

(LLP0010081-LCA & AF 0758)

Chartered Accountants

Petaling Jaya, Selangor

Date: 28 April 2025

#### Ong Beng Seng

Approval Number: 02981/05/2026 J

Chartered Accountant

## LIST OF PROPERTIES

Held by the Group as at 31 December 2024

Proprietor	Location	Description/ Age (Year)	Existing Use	Tenure	Area (Square feet)	Net Book Value as at 31/12/2024 RM'000
Press Metal Bintulu Sdn Bhd	Lot 36, Block 1 Samalaju Industrial Park Kemena Land District 97000 Samalaju, Sarawak	Leasehold land and buildings 14 years	Factory cum office	Leasehold for 60 years expiring 10 July 2071	20,946,570	1,444,488
Press Metal Sarawak Sdn Bhd	Lot 211 & 212, Block 293 Mukah Land District, KM38 Jalan Mukah - Balingian 96400 Mukah, Sarawak	Leasehold land and buildings 17 years	Factory cum office	Leasehold for 99 years expiring 6 April 2107	44,913,337	337,902
Press Metal International Limited	Area C Sanshui Industrial Park Sanshui District Foshan City Guangdong Province China	Leasehold land and building 19 Years	Factory cum office	Leasehold for 48 & 50 years expiring 12 July 2055 & 30 December 2056	5,092,976	221,695
Press Metal Berhad	Lot 6486, Mukim Kapar Daerah Klang Selangor	Freehold land and building 31 years	Factory cum office	Freehold	417,348	29,136
PMB Aluminium Sdn Bhd	PT1653 & PT1656 Mukim Setul Daerah Seremban Negeri Sembilan	Leasehold land and buildings 34 years	Factory cum office	Leasehold for 99 years expiring 17 January 2090	473,612	15,307
Press Metal Berhad	Lot 6464, Mukim Kapar Daerah Klang Selangor	Freehold land and building 31 years	Factory cum office	Freehold	217,000	15,150
Press Metal UK Limited	Beldray Road Mount Pleasant, Bilston West Midlands WV14 7NH	Freehold land and buildings 19 years	Warehouse	Freehold	74,418	13,306
Press Metal Berhad	Suite 59, 60, 61 & 62 Setia Avenue No. 2, Jalan Setia Prima S U13/S Setia Alam, Seksyen U13 40170 Shah Alam, Selangor	Commercial office suite	Office	Freehold	37,912	12,985
Press Metal Aluminium (Australia) Pty Ltd	32, Southeast Boulevard Pakenham Victoria Australia	Freehold land and building 5 years	Warehouse	Freehold	32,000	10,574
Press Metal Bintulu Sdn Bhd	Lot 412 & 413, Block 1 Samalaju Industrial Park Kemena Land District 97000 Samalaju, Sarawak	Leasehold land 3 years	Staff accomodation	Leasehold for 60 years expiring 18 May 2082	3,143,923	10,051

## ANALYSIS OF SHAREHOLDINGS

as at 2 April 2025

Total Number of Issued Shares	:	8,239,617,778 Ordinary Shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share

### DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	255	2.66	5,921	0.00
100 to 1,000	2,454	25.60	1,602,215	0.02
1,001 to 10,000	3,528	36.80	14,890,613	0.18
10,001 to 100,000	2,009	20.96	72,047,512	0.88
100,001 to less than 5% of issued shares	1,336	13.94	5,727,419,704	69.51
5% and above of issued shares	4	0.04	2,423,651,813	29.41
<b>Total</b>	<b>9,586</b>	<b>100.00</b>	<b>8,239,617,778</b>	<b>100.00</b>

### DIRECTORS' SHAREHOLDINGS

(as per Register of Directors' Shareholdings as at 2 April 2025)

Name	Direct		Indirect	
	No. of Shares Held	% of Issued Capital	No. of Shares Held	% of Issued Capital
Datuk Yvonne Chia (Yau Ah Lan @ Fara Yvonne)	100,000	0.00	0	0.00
Datuk Koon Poh Ming	512,864,516	6.22	130,920,000 <sup>(1)</sup>	1.59
Tan Sri Dato' Koon Poh Keong	225,535,022	2.74	2,807,837,822 <sup>(2)</sup>	34.08
Dato' Koon Poh Tat	213,750,660	2.59	18,528,604 <sup>(3)</sup>	0.22
Koon Poh Weng	467,975,136	5.68	2,321,920 <sup>(4)</sup>	0.03
Datuk Koon Poh Kong	99,201,372	1.20	66,060,240 <sup>(5)</sup>	0.80
Noor Alina Binti Mohamad Faiz	0	0.00	0	0.00
Lim Hun Soon @ David Lim	0	0.00	0	0.00
Susan Yuen Su Min	2,000	0.00	0	0.00
Chong Kin Leong	0	0.00	0	0.00
John Koon Tzer Lim (Alternater Director to Datuk Koon Poh Ming)	0	0.00	0	0.00

<sup>(1)</sup> Deemed interested in the shares held by his spouse, Datin Ong Soo Fan in the Company and by virtue of his direct interest in 7G Holdings Pte. Ltd. pursuant to Section 8 of the Companies Act 2016 ("the Act").

<sup>(2)</sup> Deemed interested in the shares held by his spouse, Puan Sri Datin Khoo Ee Pheng in the Company and deemed interested in Paul Koon Foundation, the holding entity of Paul Koon Pte. Ltd., by virtue of Paul Koon Pte. Ltd.'s 100% direct equity interest in KPK Holdings (L) Ltd., the holding company of Alpha Milestone Sdn. Bhd., which in turn holds shares in the Company pursuant to Section 8 of the Act.

<sup>(3)</sup> Deemed interested in the shares held by his spouse, Datin Chan Hean Heoh in the Company.

<sup>(4)</sup> Deemed interested in the shares held by his spouse, Chan Poh Choo and his daughter, Koon Sim Ee in the Company.

<sup>(5)</sup> Deemed interested in the shares held by his spouse, Datin Lee Sook Ching and his children, Koon Hoi Chun and Koon Xin Hui in the Company and by virtue of his direct interest in TK Capital Investment Ltd. pursuant to Section 8 of the Act.

## Analysis of Shareholdings

as at 2 April 2025

**SUBSTANTIAL SHAREHOLDERS**

(as per Register of Substantial Shareholders as at 2 April 2025)

Name	Direct		Indirect	
	No. of Shares Held	% of Issued Capital	No. of Shares Held	% of Issued Capital
Tan Sri Dato' Koon Poh Keong	225,535,022	2.74	2,807,837,822 <sup>(1)</sup>	34.08
Datuk Koon Poh Ming	512,864,516	6.22	130,920,000 <sup>(2)</sup>	1.59
Koon Poh Weng	467,975,136	5.68	2,321,920 <sup>(3)</sup>	0.03
Alpha Milestone Sdn. Bhd.	2,785,676,677	33.81	0	0.00
Datin Ong Soo Fan	90,920,000	1.10	552,864,516 <sup>(4)</sup>	6.71
Chan Poo Choo	2,212,160	0.03	468,084,896 <sup>(5)</sup>	5.68
KPK Holdings (L) Ltd.	0	0.00	2,785,676,677 <sup>(6)</sup>	33.81
Paul Koon Pte. Ltd.	0	0.00	2,785,676,677 <sup>(7)</sup>	33.81
Paul Koon Foundation	0	0.00	2,785,676,677 <sup>(8)</sup>	33.81
Employees Provident Fund Board	445,727,437	5.41	0	0.00

<sup>(1)</sup> Deemed interested in the shares held by his spouse, Puan Sri Datin Khoo Ee Pheng in the Company and deemed interested in Paul Koon Foundation, the holding entity of Paul Koon Pte. Ltd., by virtue of Paul Koon Pte. Ltd.'s 100% direct equity interest in KPK Holdings (L) Ltd., the holding company of Alpha Milestone Sdn. Bhd., which in turn holds shares in the Company pursuant to Section 8 of the Act.

<sup>(2)</sup> Deemed interested in the shares held by his spouse, Datin Ong Soo Fan in the Company and by virtue of his direct interest in 7G Holdings Pte. Ltd. pursuant to Section 8 of the Act.

<sup>(3)</sup> Deemed interested in the shares held by his spouse, Chan Poh Choo and his daughter, Koon Sim Ee in the Company.

<sup>(4)</sup> Deemed interested in the shares held by her spouse, Datuk Koon Poh Ming in the Company and by virtue of her interest in 7G Holdings Pte. Ltd. pursuant to Section 8 of the Act.

<sup>(5)</sup> Deemed interested in the shares held by her spouse, Koon Poh Weng and her daughter, Koon Sim Ee in the Company.

<sup>(6)</sup> Deemed interested by virtue of its 100% direct equity interest in Alpha Milestone Sdn. Bhd. pursuant to Section 8 of the Act.

<sup>(7)</sup> Deemed interested in the Company by virtue of being the holding company of KPK Holdings (L) Ltd., which in turn owns shares in Alpha Milestone Sdn. Bhd. pursuant to Section 8 of the Act.

<sup>(8)</sup> Paul Koon Foundation, being the holding entity of Paul Koon Pte. Ltd., is deemed interested in the Company by virtue of Paul Koon Pte. Ltd.'s 100% direct equity interest in KPK Holdings (L) Ltd., the holding company of Alpha Milestone Sdn. Bhd. pursuant to Section 8 of the Act.

## Analysis of Shareholdings

as at 2 April 2025

### LIST OF THIRTY LARGEST SHAREHOLDERS

as at 2 April 2025

No.	Name of Shareholders	No. of Shares Held	% of Issued Capital
1	ALPHA MILESTONE SDN BHD	895,676,677	10.87
2	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>UBS AG Singapore for Alpha Milestone Sdn Bhd</i>	580,000,000	7.04
3	HSBC NOMINEES (TEMPATAN) SDN BHD <i>MSIP for Alpha Milestone Sdn Bhd</i>	500,000,000	6.07
4	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB for Koon Poh Weng</i>	447,975,136	5.44
5	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Bank of Singapore Limited for Alpha Milestone Sdn Bhd</i>	400,000,000	4.85
6	DATUK KOON POH MING	353,385,108	4.29
7	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>CBHK PBGSG for Alpha Milestone Sdn Bhd</i>	350,000,000	4.25
8	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	248,386,718	3.01
9	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Employees Provident Fund Board</i>	196,196,621	2.38
10	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>UBS AG Singapore for Tan Sri Dato' Koon Poh Keong</i>	120,000,000	1.46
11	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Bank of Singapore Limited for Tan Sri Dato' Koon Poh Keong</i>	100,000,000	1.21
12	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Employees Provident Fund Board</i>	96,416,541	1.17
13	DATUK KOON POH MING	83,379,408	1.01
14	DB (MALAYSIA) NOMINEE (ASING) SDN BHD <i>Exempt AN for State Street Bank &amp; Trust Company</i>	82,205,100	1.00
15	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Dato' Koon Poh Tat</i>	70,180,160	0.85
16	PERMODALAN NASIONAL BERHAD	68,709,400	0.83
17	TAN MEW LAN	63,331,312	0.77
18	LEMBAGA TABUNG HAJI	62,537,300	0.76
19	CITIGROUP NOMINEES (ASING) SDN BHD <i>CBHK for Glencore International Investment Limited</i>	60,280,000	0.73
20	DATIN ONG SOO FAN	60,040,000	0.73
21	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB for Alpha Milestone Sdn Bhd</i>	60,000,000	0.73
22	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB for Dato' Koon Poh Tat</i>	57,383,300	0.70
23	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Exempt AN for AIA Bhd</i>	53,419,600	0.65
24	HSBC NOMINEES (ASING) SDN BHD <i>JPMCB NA for Vanguard Total International Stock Index Fund</i>	51,854,988	0.63
25	PEGGY NG SEANG PHENG	51,840,000	0.63

## Analysis of Shareholdings

as at 2 April 2025

## LIST OF THIRTY LARGEST SHAREHOLDERS (CONT'D)

as at 2 April 2025

No.	Name of Shareholders	No. of Shares Held	% of Issued Capital
26	KOON PUI LING	50,753,900	0.62
27	CARTABAN NOMINEES (TEMPATAN) SDN BHD <i>Exempt AN for Standard Chartered Bank Singapore Branch</i>	48,000,000	0.58
28	HSBC NOMINEES (ASING) SDN BHD <i>JPMCB NA for Vanguard Emerging Markets Stock Index Fund</i>	47,822,040	0.58
29	DATUK KOON POH MING	44,800,000	0.54
30	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Employees Provident Fund Board</i>	44,139,400	0.53
	<b>Total</b>	<b>5,348,712,709</b>	<b>64.91</b>

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Ninth Annual General Meeting (“9<sup>th</sup> AGM”) of Press Metal Aluminium Holdings Berhad (“PMAH” or “the Company”) will be held at State Room 2, Ground Floor, M Resort & Hotel, Jalan Damansara, Bukit Kiara, 60000 Kuala Lumpur on **Thursday, 26 June 2025 at 10:30 a.m.** for the purpose of considering and if thought fit, passing with or without modifications the resolutions set out in this notice:

### A G E N D A

#### As Ordinary Business

- |    |  |   |
|----|--|---|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon.   | <i>[Please refer to Explanatory Note 1]</i>   |
| 2. | To approve the payment of Directors’ fees to the Non-Executive Directors for an amount of up to RM1,304,500.00 for the financial year ending 31 December 2025 (2024: RM1,186,000.00).  | <b>Ordinary Resolution 1</b><br><i>[Please refer to Explanatory Note 2]</i>   |
| 3. | To approve the payment of Directors’ benefits (other than Directors’ fees) to the Non-Executive Directors for an amount of up to RM214,000.00 from 26 June 2025 until the conclusion of the next Annual General Meeting of the Company.  | <b>Ordinary Resolution 2</b><br><i>[Please refer to Explanatory Note 2]</i>   |
| 4. | To re-elect the following Directors who retire by rotation in accordance with Clause 95 of the Constitution of the Company and being eligible, have offered themselves for re-election: <ul style="list-style-type: none"> <li>(i) Datuk Koon Poh Ming</li> <li>(ii) Tan Sri Dato’ Koon Poh Keong</li> <li>(iii) Mr. Lim Hun Soon @ David Lim</li> <li>(iv) Mr. Chong Kin Leong</li> </ul> | <b>Ordinary Resolution 3</b><br><b>Ordinary Resolution 4</b><br><b>Ordinary Resolution 5</b><br><b>Ordinary Resolution 6</b><br><i>[Please refer to Explanatory Note 3]</i> |
| 5. | To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.   | <b>Ordinary Resolution 7</b>  |

#### As Special Business

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

- |    |   |   |
|----|---|---|
| 6. | <b>Proposed Renewal of Authority under Sections 75 and 76 of the Companies Act 2016 (“the Act”) and the Constitution of the Company for the Directors to Allot and Issue Shares</b> | <b>Ordinary Resolution 8</b><br><i>[Please refer to Explanatory Note 4]</i> |
|----|---|---|

“**THAT** pursuant to Sections 75 and 76 of the Act, the Directors be and are hereby authorised and empowered to allot and issue shares in the capital of the Company (“New Shares”) from time to time, at such price, to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of such New Shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being, subject always to the Constitution of the Company and approval of all relevant regulatory authorities being obtained for such allotment and issuance (“Proposed General Mandate”).

**THAT** such approval on the Proposed General Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company held after the approval was given;
- (b) the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or

## Notice of Annual General Meeting

- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

**THAT** the Directors of the Company be and are hereby also authorised and empowered to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities and to obtain the approval from Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

**THAT** in connection with the above, pursuant to Section 85 of the Act read together with Clause 59 of the Constitution of the Company, the shareholders do hereby waive their statutory pre-emptive rights to be offered New Shares in proportion of their holdings ranking equally to the existing issued shares in the Company arising from any issuance of New Shares of the Company pursuant to Sections 75 and 76 of the Act.

**AND THAT** the New Shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing issued shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid before the date of allotment of such New Shares.”

7. **Proposed Renewal of Shareholders’ Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature (“RRPT”) and Proposed New Shareholders’ Mandate for Additional RRPT (“Proposed Shareholders’ Mandate for RRPT”)**

**Ordinary Resolution 9**

*[Please refer to Explanatory Note 5]*

“**THAT** pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries (“PMAH Group”) to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.4 of Part A of the Circular/ Statement to Shareholders dated 30 April 2025 which are necessary for the PMAH Group’s day-to-day operations subject to the following:

- (a) the transactions are undertaken in the ordinary course of business at an arm’s length basis and on normal commercial terms and transaction prices 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; and
- (b) the disclosure of the breakdown of the aggregate value of the recurrent related party transactions conducted pursuant to the Proposed Shareholders’ Mandate for RRPT during the financial year, the type of recurrent related party transactions made, the names of the related parties involved in each type of recurrent related party transactions and their relationships with the Company will be made in the Integrated Annual Report.

**THAT** the authority conferred shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the forthcoming AGM at which the Proposed Shareholders’ Mandate for RRPT is approved, at which time it will lapse, unless by a resolution passed at the AGM, the mandate is renewed;
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“the Act”) [but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or

## Notice of Annual General Meeting

- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

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

8. **Proposed Renewal of Shareholders' Mandate for the Authority to the Company to Purchase its own Ordinary Shares ("Proposed Renewal of Share Buy-Back Authority")**

**Ordinary Resolution 10**

*[Please refer to Explanatory Note 6]*

**"THAT** subject to the Companies Act 2016 ("the Act"), the provisions of the Constitution of the Company, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to the fullest extent permitted by law, to purchase such number of issued ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the best interest of the Company, provided that:

- (a) the maximum aggregate number of issued ordinary shares in the Company which may be purchased ("Purchased Shares") and/or held by the Company as treasury shares shall not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities at any point in time of the said purchase(s); and
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements of the Company (where applicable) available at the time of the purchase(s).

**THAT** the authority conferred by this resolution will commence immediately upon passing of this resolution and shall continue to be in force until:

- (a) The conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming AGM at which the Proposed Renewal of Share Buy-Back Authority is approved, at which time the said authority shall lapse, unless by an ordinary resolution passed at that meeting, 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 of the Company in a general meeting,

whichever occurs first but shall not prejudice the completion of purchase(s) by the Company of its own ordinary shares before the aforesaid expiry date and, in any event, in accordance with the MMLR of Bursa Securities and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

## Notice of Annual General Meeting

**THAT** upon completion of the purchase by the Company of its own ordinary shares, the Directors of the Company be and are hereby authorised to deal with the Purchased Shares in their absolute discretion in the following manner as may be permitted by the Act, MMLR of Bursa Securities, applicable laws, rules, regulations, orders, guidelines and/or requirements of any relevant authorities for the time being in force:

- (a) To cancel all or part of the Purchased Shares;
- (b) To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- (c) To distribute all or part of the treasury shares as share dividends to the shareholders of the Company;
- (d) To resell all or part of the treasury shares;
- (e) To transfer all or part of the treasury shares for the purposes of or under an employees' shares scheme established by the Company and/or its subsidiaries (if any); and
- (f) To transfer all or part of the treasury shares as purchase consideration.

**AND THAT** the Directors of the Company be authorised to take all such steps as are necessary [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the purchase by the Company of its own ordinary shares with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may deem fit and expedient in the best interests of the Company.”

- 9. To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016.

BY ORDER OF THE BOARD

**TAI YIT CHAN** (MAICSA 7009143) (SSM PC No. 202008001023)

**TAN AI NING** (MAICSA 7015852) (SSM PC No. 202008000067)

Company Secretaries

Selangor Darul Ehsan

Date: 30 April 2025

## Notice of Annual General Meeting

### NOTES:

1. For the purpose of determining who shall be entitled to attend and vote at the 9<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at **19 June 2025** (General Meeting Record of Depositors). Only a member whose name appears in this Record of Depositors shall be eligible to attend and vote at the 9<sup>th</sup> AGM or appoint proxy(ies) to attend and vote on his/her behalf.
2. A member entitled to attend and vote at the 9<sup>th</sup> AGM is entitled to appoint more than one (1) proxy or an attorney or in the case of a corporation, to appoint a duly authorised representative to attend and vote in his/her stead at the same meeting. A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy in the instrument appointing the proxies. A proxy appointed to attend and vote at the 9<sup>th</sup> AGM shall have the same rights as the member to attend and vote at the 9<sup>th</sup> AGM.
3. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
4. The instrument appointing a proxy shall be in writing, executed by the appointor or of his/her attorney duly authorised in writing or via electronic submission. If the appointor is a corporation, either under its common seal or signed by an officer or attorney duly authorised and shall be in any form (including electronic) that the Directors prescribe or accept.
5. The appointment of proxy(ies) for the 9<sup>th</sup> AGM may be made in a hard copy form or by electronic means and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 9<sup>th</sup> AGM or adjourned 9<sup>th</sup> AGM at which the person named in the instrument proposes to vote. Proxy form(s) must be deposited or submitted in the following manner not later than **10:30 a.m. on Tuesday, 24 June 2025**:

(i) In hard copy form

Deposit the duly executed proxy form with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd's ("Tricor") office of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, at the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur (hereinafter referred to as "Tricor's Office"); or

(ii) By electronic means via TIIH Online

Submit the proxy form electronically with the Share Registrar of the Company via TIIH Online website at <https://tiih.online>. Kindly refer to the Administrative Details for the 9<sup>th</sup> AGM on the procedures for electronic submission of proxy form via TIIH Online website.

6. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
7. Corporate shareholder(s) who has appointed authorised representative(s) **MUST** deposit the **Original or Duly Certified** certificate of appointment of authorised representative with the Share Registrar of the Company at Tricor's Office **not later than 10:30 a.m. on Tuesday, 24 June 2025** to attend and vote at the 9<sup>th</sup> AGM.

Attorney(s) appointed by Power of Attorney **MUST** deposit the **Original** Power of Attorney with the Share Registrar of the Company at Tricor's Office **not later than 10:30 a.m. on Tuesday, 24 June 2025** to attend and vote at the 9<sup>th</sup> AGM.

8. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 9<sup>th</sup> AGM of the Company shall be put to vote by way of poll. Poll administrator and independent scrutineer will be appointed to conduct the polling process and verify the results of the poll respectively.

## Notice of Annual General Meeting

### EXPLANATORY NOTES

#### 1. Agenda Item 1 – Audited Financial Statements for the financial year ended 31 December 2024

Agenda item 1 is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 (“the Act”) does not require a formal approval from the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

#### 2. Ordinary Resolutions 1 and 2 – Payment of Directors’ Fees and Benefits to Non-Executive Directors

Section 230(1) of the Act provides amongst others, that the Directors’ fees and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders’ approval shall be sought at this Ninth Annual General Meeting (“9<sup>th</sup> AGM”) on the Directors’ remuneration in two (2) separate resolutions as below:

- Ordinary Resolution 1 on payment of Directors’ fees to the Non-Executive Directors for the financial year ending 31 December 2025.
- Ordinary Resolution 2 on payment of Directors’ benefits to the Non-Executive Directors for the period from 26 June 2025 until the conclusion of the next AGM of the Company.

#### Directors’ Fees

To ensure that the current remuneration for the members of the Board and Board Committees of the Company remains competitive and appropriate to attract, retain and motivate individuals with strong credentials and high calibre to serve on the Board of the Company, an external consultant was engaged in 2021 to undertake the benchmarking analysis and recommended the appropriate remuneration taking into account the demands, complexities and performance of the Company.

The proposed remuneration review was comprehensively deliberated by the Remuneration Committee. The Board approved the Remuneration Committee’s recommendation for the proposed approximately 10% increase in Directors’ fees of the Non-Executive Directors for the financial year ending 31 December 2025 as set out in the fee structure below:

Directors’ Fees	Fees for the financial year ended 31 December 2024		Proposed revised fees for the financial year ending 31 December 2025	
	Chairman (RM per director per annum)	Non-Executive Director (RM per director per annum)	Chairman (RM per director per annum)	Non-Executive Director (RM per director per annum)
Board of Directors	242,000	143,000	266,000	157,000
Audit Committee	30,000	20,000	33,000	22,000
Risk Management Committee	30,000	20,000	33,000	22,000
Nomination and Corporate Governance Committee	4,000	3,000	4,500	3,500
Remuneration Committee	4,000	3,000	4,500	3,500

## Notice of Annual General Meeting

### **Directors' Benefits (other than Directors' Fees)**

The Board approved the Remuneration Committee's recommendation of proposed Directors' benefits payable to the Non-Executive Directors of the Company, i.e., meeting allowance of RM2,000 per Director per meeting for the financial year ending 31 December 2025.

The proposed Directors' benefits payable comprises only meeting allowance. The total estimated amount of Directors' benefits payable is calculated based on the number of scheduled meetings for the Board and Board Committees as well as the number of Non-Executive Directors involved in these meetings.

Any Non-Executive Directors who are shareholders of the Company will abstain from voting on Ordinary Resolutions 1 and 2 concerning remuneration to the Non-Executive Directors at the 9<sup>th</sup> AGM.

In the event that the proposed Non-Executive Directors' fees and benefits payable are insufficient due to the enlarged Board size, the Company will seek shareholders' approval at the 10<sup>th</sup> AGM of the Company for the additional Directors' fees and benefits payable to meet the shortfall.

### **3. Ordinary Resolutions 3 to 6 – Re-election of Directors**

The profile of the Directors who are standing for re-election as per item 4 of the Agenda are set out in the Profile of Our Board of Directors section of the Integrated Annual Report 2024.

The Nomination and Corporate Governance Committee ("NCGC") has considered the performance and contribution of each of the retiring Directors seeking for re-election. In addition, the NCGC had also conducted an assessment on the fitness and propriety of the retiring Directors, including the review of their fit and proper declarations and results of their background checks in accordance with the Directors' Fit and Proper Policy. The Board had also through the NCGC, carried out assessment on the independence of the retiring Directors and is satisfied that they met the criteria of independence as prescribed in the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The said retiring Directors have abstained from deliberations and decision on their own eligibility and suitability to stand for re-election. Based on the recommendation of the NCGC, the Board is satisfied with the performance and contributions of the retiring Directors and supports their re-election based on the following justifications:

(a) Ordinary Resolution 3 – Re-election of Datuk Koon Poh Ming as Executive Vice Chairman

Datuk Koon Poh Ming has vast experience in the management of major projects throughout the country. With his in-depth understanding and knowledge of the Company, he is able to provide valuable input to steer the Company forward. He exercised his due care and carried out his professional duties proficiently during his tenure as Executive Vice Chairman of the Company.

(b) Ordinary Resolution 4 – Re-election of Tan Sri Dato' Koon Poh Keong as Group Chief Executive Officer

Tan Sri Dato' Koon Poh Keong shows exemplary leadership in building business and creating value. He has contributed significantly to the Group with notable achievements during his tenure as Group Chief Executive Officer of the Company. He exercised his due care and carried out his professional duties proficiently during his tenure as Group Chief Executive Officer of the Company.

(c) Ordinary Resolution 5 – Re-election of Mr. Lim Hun Soon @ David Lim as Independent Non-Executive Director

Mr. Lim Hun Soon @ David Lim is a highly experienced professional in the field of accounting and auditing, with a career spanning over three decades at KPMG, where he served as a Partner and held various leadership roles. As an Independent Director, he has been contributing valuable insights to the Board and actively making independent assessment of the information, reports or statements, having regard to his knowledge, experience and competence, to provide independent view and demonstrate objectivity in reviewing, as well as constructively challenge Management's proposals at meetings. He exercised his due care and carried out his professional duties proficiently during his tenure as Independent Non-Executive Director of the Company.

## Notice of Annual General Meeting

(d) Ordinary Resolution 6 – Re-election of Mr. Chong Kin Leong as Independent Non-Executive Director

*Mr. Chong Kin Leong has more than 40 years of experience in all aspects of financial and business management in the corporate sector, financial institutions and auditing. As an Independent Director, he has been contributing valuable insights to the Board and actively making independent assessment of the information, reports or statements, having regard to his knowledge, experience and competence, to provide independent view and demonstrate objectivity in reviewing, as well as constructively challenge Management's proposals at meetings. He exercised his due care and carried out his professional duties proficiently during his tenure as Independent Non-Executive Director of the Company.*

4. **Ordinary Resolution 8 – Proposed Renewal of Authority under Sections 75 and 76 of the Act and the Constitution of the Company for the Directors to Allot and Issue Shares**

*The Company had, during its Eighth AGM held on 27 June 2024, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Sections 75 and 76 of the Act. As of the date of this notice, the Company did not issue any shares pursuant to this mandate obtained.*

*Ordinary Resolution 8 proposed under item 6 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act and empowering the Directors of the Company to issue and allot shares in the Company from time to time, provided that the aggregate number of such shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being ("Proposed General Mandate").*

*The Proposed General Mandate, if passed, serves as a measure to meet the Company's immediate working capital needs in the short term without relying on conventional debt financing (which will result in higher finance costs to be incurred) for the purpose of funding investment project(s), working capital and/or acquisition(s), without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.*

*By approving the issuance and allotment of shares pursuant to Sections 75 and 76 of the Act and the Constitution of the Company, the shareholders, having agreed to irrevocably waive their statutory pre-emptive rights pursuant to Section 85 of the Act read together with Clause 59 of the Constitution of the Company which will result in a dilution to their shareholding percentage in the Company, allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer new shares to all the existing shareholders of the Company prior to issuance of new shares in the Company under the Proposed General Mandate.*

*If there should be a decision to issue new shares after the Proposed General Mandate is obtained, the Company will make an announcement in respect thereof.*

## Notice of Annual General Meeting

5. **Ordinary Resolution 9 – Proposed Renewal of Shareholders’ Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature (“RRPT”) and Proposed New Shareholders’ Mandate for Additional RRPT (“Proposed Shareholders’ Mandate for RRPT”)**

*Ordinary Resolution 9 proposed under item 7 of the Agenda, if passed, will allow PMAH Group to enter into the RRPT under the Proposed Shareholders’ Mandate for RRPT pursuant to the provisions of the MMLR of Bursa Securities without the necessity to convene separate general meetings from time to time to seek shareholders’ approval as and when such RRPT occur. This will reduce substantially the expenses associated with the convening of general meetings on ad hoc basis, improve administrative efficiency considerably and allow manpower resources and time to be focused on attaining the Group’s corporate objectives and business opportunities. The Proposed Shareholders’ Mandate for RRPT is subject to renewal on an annual basis.*

*For further information on Ordinary Resolution 9, please refer to Part A of the Circular/Statement to Shareholders dated 30 April 2025.*

6. **Ordinary Resolution 10 – Proposed Renewal of Shareholders’ Mandate for the Authority to the Company to Purchase its own Ordinary Shares (“Proposed Renewal of Share Buy Back Authority”)**

*The proposed Ordinary Resolution 10, if passed, will give the Directors of the Company authority to take all such steps as are necessary or expedient to implement, finalise, complete and/or to effect the purchase(s) of shares of up to ten per centum (10%) of the total number of issued shares of the Company as the Directors may deem fit and expedient in the best interest of the Company. The authority will, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM of the Company is required by law to be held.*

*For further information on Ordinary Resolution 10, please refer to Part B of the Circular/Statement to Shareholders dated 30 April 2025.*

# STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

[Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad]

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

There are no individuals who are standing for election as Directors at the Ninth Annual General Meeting ("9<sup>th</sup> AGM") of the Company.

## 2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

Details of the general mandate to issue securities pursuant to Sections 75 and 76 of the Act are set out in Explanatory Note 4 of this Notice.

### *Personal data privacy:*

*By submitting an instrument appointing proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.*

## GLOSSARY

Abbreviation	Full Term
3R	Reduce, Reuse and Recycle
3Re	Retention, Reward and Recognition
4R	Reduce, Reuse, Recycle and Recover
8D	8-Discipline
AAPG	Audit and Assurance Practice Guide
ABAC	Anti-Bribery and Anti-Corruption
AC	Audit Committee
AGM	Annual General Meeting
AI	Artificial Intelligence
AIFR	All Injury Frequency Rate
ASI	Aluminium Stewardship Initiative
ATEI	Ace Team Effectiveness Index
BAP	Biodiversity Action Plan
BEE	Board Effectiveness Evaluation
BMCC	British Malaysian Chamber of Commerce
BMP	Biodiversity Management Plan
Board	Board of Directors
BTMHG	Baker Tilly Monteiro Heng Governance Sdn. Bhd.
Bursa Securities	Bursa Malaysia Securities Berhad
CA	Companies Act
CAHRAs	Conflict-Affected and High-Risk Areas
CAPA	Corrective Action and Preventive Action
CAPEX	Capital Expenditures
CCTV	Closed-Circuit Television
CCU	Carbon Capture and Utilisation
CDP	Carbon Disclosure Project
CEMS	Continuous Environmental Monitoring System
CEO	Chief Executive Officer
CG	Corporate Governance
CGOS	Corporate Governance Overview Statement
ChoC	Chain of Custody
CIA	Certified Internal Auditor
CO <sub>2</sub> e	Carbon Dioxide Equivalent
CoC	Code of Conduct
CoE	Code of Ethics
COI	Conflict of Interest
CPR	Communication and Public Relations
CPRD	Communications and Public Relations Department
CSD	Corporate Sustainability Development
CSI	Centralised Sustainability Intelligence
CSR	Corporate Social Responsibility
DDG	Due Diligence Guidance
DOE	Department of Environment
EBITDA	Earning Before Interest Tax Depreciation Amortisation

## Glossary

Abbreviation	Full Term
EC	Electrical Conductor
EECA	Energy Efficiency and Conservation Act
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
EMS	Environmental Management System
EnMP	Energy Management Policy
EnMR	Energy Management Representative
EnMS	Energy Management System
ERM	Enterprise Risk Management
ERP	Emergency Response Plan
ERT	Emergency Response Team
ERTH	E-Waste Recycling Through Heroes
ESG	Environmental, Social and Governance
eSWIS	Electronic Scheduled Waste Information System
EU	European Union
EV	Electric Vehicle
FCB	Fellow Chartered Banker
FMM	Federation of Malaysian Manufacturers
FPIC	Free, Prior and Informed Consent
FYE	Financial Year Ended
GADSL	Global Automotive Declarable Substance List
GEF	Grid Emission Factor
GEHS	Group Environmental, Health and Safety
GHG	Greenhouse Gas
GJ	Gigajoules
GRI	Global Reporting Initiative
GWP	Global Warming Potential
HF	Hydrogen Fluoride
HIARODC	Hazard Identification, Assessment of Risks and Opportunities and Determination of Control
HR	Human Resource
HS	Health and Safety
IA	Internal Audit
IAI	International Aluminium Institute
IAR	Integrated Annual Report
IC	Investment Committee
ICAEW	Institute of Chartered Accountants in England and Wales
ICP	Internal Carbon Pricing
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
IIAM	Institute of Internal Auditors Malaysia
ILO	International Labour Organisation
IMTN	Islamic Medium Term Notes
IoT	Internet of Things

## Glossary

Abbreviation	Full Term
IPCC AR6	Intergovernmental Panel on Climate Change Sixth Assessment Report
IPO	Initial Public Offering
iPro	Improvement Projects
IR 4.0	Industrial Revolution 4.0
IS	Information System
ISO 14001	ISO 14001:2015 Environmental Management Systems
ISO 31000	ISO 31000:2018 Risk Management Guidelines
ISO 45001	ISO 45001:2018 Occupational Health and Safety Management Systems
ISO 50001	ISO 50001:2018 Energy Management Systems
ISO 9001	ISO 9001:2015 Quality Management Systems
ISSB	International Sustainability Standards Board
IT	Information Technology
KCFC	Kuching City Football Club
LCA	Life Cycle Assessment
LME	London Metal Exchange
LTIFR	Lost Time Injury Frequency Rate
LTIR	Lost Time Incident Rate
M&A	Mergers and Acquisitions
MACC Act 2018	Malaysian Anti-Corruption Commission (Amendment) Act 2018
MCCG	Malaysian Code of Corporate Governance
MES	Manufacturing Execution System
MFRS	Malaysian Financial Reporting Standards
MIA	Malaysian Institute of Accountants
MICPA	Malaysian Institute of Certified Public Accountants
MMLR	Main Market Listing Requirements
MoU	Memorandum of Understanding
MSWG	Minority Shareholder Watch Group
MW	Megawatt
NAS	Non-Assurance Pre-Approval
NBAD	National Bank of Abu Dhabi Malaysia Berhad
NCGC	Nomination and Corporate Governance Committee
NGO	Non-Governmental Organisations
NOx	Nitrogen Oxides
NSRF	National Sustainability Reporting Framework
OECD	Organisation for Economic Co-operation and Development
OHS	Occupational Health and Safety
OPEX	Operating Expenses
OSHA 2022	Occupational Safety and Health (Amendment) Act 2022
OT	Operational Technology
PAT	Purchasing Audit Team
PATAMI	Profit After Tax and Minority Interest
PCF	Product Carbon Footprint
PDCA	Plan-Do-Check-Act
PDPA	Personal Data Protection Act

## Glossary

Abbreviation	Full Term
PFCs	Perfluorocarbons
PMAH/ Company	Press Metal Aluminium Holdings Berhad
PMAR	Press Metal Aluminium Rods Sdn. Bhd.
PMB	Press Metal Berhad
PMBA	PMB Aluminium Sdn. Bhd.
PMBtu	Press Metal Bintulu Sdn. Bhd.
PMI	Press Metal International Limited
PMIT	Press Metal International Technology Ltd.
PMS	Press Metal Sarawak Sdn. Bhd.
PPE	Personal Protective Equipment
Press Metal/ Group	PMAH and its subsidiaries
PS v3	Performance Standard Version 3
PT BAI	PT Bintan Alumina Indonesia
PT KAN	PT Kalimantan Alumina Nusantara
PTW	Permit-To-Work
R&D	Research and Development
RC	Remuneration Committee
RCP	Representative Concentration Pathway
RMB	Renminbi
RMC	Risk Management Committee
RMD	Risk Management Department
RMT	Risk Management Team
RPT	Related Party Transactions
RRPT	Recurrent Related Party Transactions
SASB	Sustainability Accounting Standards Board
SC	Sustainability Committee
SCoC	Supplier Code of Conduct
SEA	Southeast Asia
SEE	Society of Entrepreneurs and Ecology
SIA	Social Impact Assessment
SiPro	Strategic Improvement Projects
SMS	Social Management System
SOCISO	Social Security Organisation
SOIP	Sarawak Operations Improvement Programme
SOP	Standard Operating Procedures
SOx	Sulfur Oxides
SPL	Spent Pot Lining
SR	Sustainability Report
SSAQ	Supplier Self-Assessment Questionnaire
SSP	Shared Socioeconomic Pathways
SUEF	Sarawak Unity Education Fund
SWG	Sustainability Working Group
SWO	Stop Work Order
SWRC	Sports, Welfare, Recreational and Culture

## Glossary

Abbreviation	Full Term
TCFD	Task Force on Climate-Related Financial Disclosures
TDMS	Training Development Management System
TISAX	Trusted Information Security Assessment Exchange
TOR	Terms of Reference
TPM	Total Particulate Matter
UCUA	You See You Act
UN SDGs	United Nations Sustainable Development Goals
UNGC	United Nations Global Compact
US	United States
USD	United States Dollar
VAPs	Value-Added Products
VAPT	Vulnerability Assessment and Penetration Testing
VRF	Value Reporting Foundation
VSOP	Video Standard Operating Procedure
XJTU	Xi'an Jiaotong University
y-o-y	year-on-year

**PRESS METAL ALUMINIUM HOLDINGS BERHAD**

Registration No. 201601027232 (1198171-H)

(Incorporated in Malaysia)

<b>No. of Shares Held</b>	
<b>CDS Account No.</b>	

**PROXY FORM**

\*I/We ..... NRIC/Passport/Company No. ....  
 (Full name in block letters)

of .....  
 (Full address)

Contact No.: ..... Email Address: .....

being a member/members of **PRESS METAL ALUMINIUM HOLDINGS BERHAD**, hereby appoint:-

Full Name (in Block as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Email Address			
Contact No.			
Address			

\*and / or

Full Name (in Block as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Email Address			
Contact No.			
Address			

or failing \*him/her, the Chairman of the Meeting as \*my/our proxy to vote for \*me/us on \*my/our behalf at the Ninth Annual General Meeting ("9<sup>th</sup> AGM") of the Company to be held at State Room 2, Ground Floor, M Resort & Hotel, Jalan Damansara, Bukit Kiara, 60000 Kuala Lumpur on Thursday, 26 June 2025 at 10:30 a.m. or at any adjournment thereof and to vote as indicated below:-

No.	Resolutions		For	Against
1	To approve the payment of Directors' fees to the Non-Executive Directors for an amount of up to RM1,304,500.00 for the financial year ending 31 December 2025 (2024: RM1,186,000.00).	Ordinary Resolution 1		
2	To approve the payment of Directors' benefits (other than Directors' fees) to the Non-Executive Directors for an amount of up to RM214,000.00 from 26 June 2025 until the conclusion of the next Annual General Meeting of the Company.	Ordinary Resolution 2		
3	Re-election of Datuk Koon Poh Ming as Director.	Ordinary Resolution 3		
4	Re-election of Tan Sri Dato' Koon Poh Keong as Director.	Ordinary Resolution 4		
5	Re-election of Mr. Lim Hun Soon @ David Lim as Director.	Ordinary Resolution 5		
6	Re-election of Mr. Chong Kin Leong as Director.	Ordinary Resolution 6		
7	Re-appointment of KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	Ordinary Resolution 7		
8	Proposed Renewal of Authority under Sections 75 and 76 of the Companies Act 2016 and the Constitution of the Company for the Directors to allot and issue shares.	Ordinary Resolution 8		
9	Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") and Proposed New Shareholders' Mandate for Additional RRPT.	Ordinary Resolution 9		
10	Proposed Renewal of Shareholders' Mandate for the Authority to the Company to purchase its own Ordinary Shares.	Ordinary Resolution 10		

(Please indicate with an "X" in the spaces provided whether you wish your vote to be cast for or against the Ordinary Resolutions. In the absence of specific directions, your proxy(ies) will vote or abstain from voting at his/her discretion.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

\_\_\_\_\_  
 Signature/Common Seal of Member(s)

\* *Strikeout whichever is not applicable*

**NOTES:**

1. For the purpose of determining who shall be entitled to attend and vote at the 9<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at **19 June 2025** (General Meeting Record of Depositors). Only a member whose name appears in this Record of Depositors shall be eligible to attend and vote at the 9<sup>th</sup> AGM or appoint proxy(ies) to attend and vote on his/her behalf.
2. A member entitled to attend and vote at the 9<sup>th</sup> AGM is entitled to appoint more than one (1) proxy or an attorney or in the case of a corporation, to appoint a duly authorised representative to attend and vote in his/her stead at the same meeting. A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy in the instrument appointing the proxies. A proxy appointed to attend and vote at the 9<sup>th</sup> AGM shall have the same rights as the member to attend and vote at the 9<sup>th</sup> AGM.
3. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
4. The instrument appointing a proxy shall be in writing, executed by the appointor or his/her attorney duly authorised in writing or via electronic submission. If the appointor is a corporation, either under its common seal or signed by an officer or attorney duly authorised and shall be in any form (including electronic) that the Directors prescribe or accept.
5. The appointment of proxy(ies) for the 9<sup>th</sup> AGM may be made in a hard copy form or by electronic means and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 9<sup>th</sup> AGM or adjourned 9<sup>th</sup> AGM at which the person named in the instrument proposes to vote. Proxy form(s) must be deposited or submitted in the following manner not later than **10:30 a.m. on Tuesday, 24 June 2025**:

(a) In hard copy form

Deposit the duly executed proxy form with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd's ("Tricor") office of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia (hereinafter referred to as "Tricor's Office"); or

(b) By electronic means via TIH Online

Submit the proxy form electronically with the Share Registrar of the Company via TIH Online website at <https://tjh.online>. Kindly refer to the Administrative Details for the 9<sup>th</sup> AGM on the procedures for electronic submission of proxy form via TIH Online website.

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The Share Registrar

**PRESS METAL ALUMINIUM HOLDINGS BERHAD**

Registration No. 201601027232 (1198171-H)

**c/o TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD**

Registration No. 197101000970 (11324-H)

Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Malaysia

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6. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
7. Corporate shareholder(s) who has appointed authorised representative(s) **MUST** deposit the **Original** or **Duly Certified** certificate of appointment of authorised representative with the Share Registrar of the Company at Tricor's Office not later than **10:30 a.m. on Tuesday, 24 June 2025** to participate in the 9<sup>th</sup> AGM. Attorney(s) appointed by Power of Attorney **MUST** deposit the Original Power of Attorney with the Share Registrar of the Company at Tricor's Office not later than **10:30 a.m. on Tuesday, 24 June 2025** to participate in the 9<sup>th</sup> AGM.
8. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 9<sup>th</sup> AGM of the Company shall be put to vote by way of poll. Poll administrator and independent scrutineer will be appointed to conduct the polling process and verify the results of the poll respectively.

**PERSONAL DATA PRIVACY**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the 9<sup>th</sup> AGM dated 30 April 2025.





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