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2024

COVER RATIONALE

The cover design for IAR2024 captures the essence of Leform Berhad's strength and adaptability, symbolised through the dynamic imagery of steel bending and shaping. This visual metaphor reflects our ability to navigate the evolving landscape of the steel industry with flexibility and resilience. The design echoes our commitment to innovation and progress, as we continue to build upon our expertise in manufacturing and trading steel products. In 2024, Leform Berhad remains focused on redefining industry standards while creating sustainable value for our stakeholders. With every bend and shift, we reaffirm our dedication to shaping a future of long-term success and prosperity.



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30th ANNUAL GENERAL MEETING



Level 2 (Johor Kedah Room),
World Trade Centre Kuala Lumpur,
41, Jalan Tun Ismail, Chow Kit,
50480 Kuala Lumpur, Wilayah
Persekutuan Kuala Lumpur



Monday, 23 June 2025



10:00 a.m.

ABOUT THIS REPORT

Leform Berhad (“Leform”, the “Group” or the “Company”) is pleased to present our Integrated Annual Report 2024 (“IAR2024”). This report aims to provide a comprehensive overview of Leform’s utilisation of capitals to create long-term sustainable value, for the financial year ended 31 December 2024 (“FY2024”). The report extends beyond financial reporting and includes non-financial performance, opportunities, risks, and outcomes attributable to or associated with our key stakeholders, which have a significant influence on our ability to create value.

REPORTING SCOPE & BOUNDARY

Unless otherwise indicated, the content of this IAR2024 reflects data and activities of the Group from 1 January 2024 to 31 December 2024. Where available, data is presented for 2-5 year time frames. Kindly refer to the Five Year Financial Highlights for more information. The report focuses on business operations information of Leform disclosed through the impact it has on the capitals as defined by International Integrated Reporting Council (“IIRC”). All the six capitals cover information on a consolidated basis.

RELATED INFORMATION

This IAR2024 is supplemented with additional online disclosures for our stakeholders. These include financial statements, policies and structures of governance, organisational policies and other pertinent information.

The Group’s latest corporate announcements and our corporate policies are available for viewing on our website: <https://www.leformgroup.com.my>.

The Group’s corporate governance policies and Code of Conduct and Ethics including Board Charter and its Terms of Reference, Anti-Bribery & Anti-Corruption Policy and Whistleblowing Policy can be viewed at: <https://www.leformgroup.com.my/investor-relations/corporategovernance>.

FORWARD-LOOKING STATEMENTS

The report contains forward-looking statements relating to Leform’s plans, objectives, goals, strategies, future operations, and performance. These statements are subject to inherent risks and uncertainties and should not be construed as guarantees or predictions of the Group’s future performance.

Accordingly, readers are cautioned not to place undue reliance on forward-looking statements as actual results and outcomes could differ significantly from those expressed or implied.

REGULATORY FRAMEWORKS OR DISCLOSURE GUIDES

- ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad
- The Companies Act 2016 (“Act”)
- Malaysian Financial Reporting Standards (“MFRS”)
- Malaysian Code On Corporate Governance 2021 (“MCCG 2021”)
- Bursa Malaysia Sustainability Reporting Guide – Third Edition
- Global Reporting Initiative (GRI) Standards
- International Integrated Reporting Framework of IIRC
- United Nations Sustainable Development Group (“UNSDG”)
- Task Force on Climate-Related Financial Disclosures (“TCFD”) recommendations







ONLINE VERSION AND FEEDBACK

This IAR2024 can be downloaded from: <https://www.leformgroup.com.my>, as well as Bursa Malaysia Securities Berhad’s website.








Feedback on this report may be channelled to general@leformgroup.com.my

ABOUT THIS REPORT




REPORTING FRAMEWORK

-  Financial Capital
-  Manufactured Capital
-  Intellectual Capital
-  Human Capital
-  Social & Relationship Capital
-  Natural Capital

KEY RISKS



-  Cost of Raw Material
-  Labour Shortage
-  Working Capital Funding
-  Disruption in Processing Facilities
-  Absence of Long-term Contracts
-  Credit Risks
-  Foreign Exchange Fluctuations

STAKEHOLDERS ENGAGEMENT




-  Investors/Shareholders
-  Government and Regulatory Authorities
-  Customers
-  Suppliers and Vendors
-  Senior Management Team
-  Employees
-  Local Communities

MATERIAL MATTERS



ECONOMIC GROWTH

-  Economic impact
-  Supply chain management




ENVIRONMENTAL STEWARDSHIP

-  Energy, emission and climate resilience
-  Waste and effluent management
-  Water consumption

GOOD GOVERNANCE

-  Corporate governance and anti-corruption
-  Data and customer privacy

SOCIAL RESPONSIBILITY

-  Health and safety
-  Diversity and inclusion
-  Fair-labour practices
-  Contribution to society

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Seri Akhil Bin Bulat	(Independent Non-Executive Chairman)
Law Kok Thye	(Managing Director)
Chua Leng Leek	(Independent Non-Executive Director)
Lai Chin Yang	(Independent Non-Executive Director)
Lee Wee Leng	(Independent Non-Executive Director)
Phang Yew Cheong @ Phang Yew Choong	(Non-Independent Executive Director) (Resigned on 13 March 2024)
Esmariza Binti Ismail	(Non-Independent Executive Director)
Law Kar Hou	(Non-Independent Executive Director) (Appointed on 16 July 2024)

AUDIT AND RISK MANAGEMENT COMMITTEE

Chua Leng Leek (Chairperson)
Lai Chin Yang
Lee Wee Leng

REMUNERATION COMMITTEE

Lee Wee Leng (Chairperson)
Chua Leng Leek
Lai Chin Yang

NOMINATION COMMITTEE

Lai Chin Yang (Chairman)
Chua Leng Leek
Lee Wee Leng

COMPANY SECRETARIES

Tai Yit Chan
(MAICSA No. 7009143) SSM PC No. 202008001023
Tan Ai Ning
(MAICSA No. 7015852) SSM PC No. 202008000067

REGISTERED OFFICE

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya, Selangor
Tel : (03) 7890 4800 Fax : (03) 7890 4650
Email : boardroom-kl@boardroomlimited.com

HEADQUARTERS

PT16077 & PT16078
Jalan Kesidang 4
Kawasan Perindustrian Sungai Choh
48200 Serendah, Selangor
Tel : (03) 6099 0666 Fax : (03) 6099 0696
Website : www.leformgroup.com.my
Email : sales@leformgroup.com.my

AUDITORS

KPMG PLT
Level 10, KPMG Tower
8, First Avenue, Bandar Utama,
47800 Petaling Jaya, Selangor.
Tel : (03) 7721 3388

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya, Selangor
Tel : (03) 7890 4700 Fax : (03) 7890 4670
Email : bsr.helpdesk@boardroomlimited.com

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad
Stock name : LEFORM
Stock code : 0266
Listed on : 30 November 2022

PRINCIPAL BANKERS

- Ambank (M) Berhad
- CIMB Bank Berhad
- Al Rajhi Banking & Investment Corporation (Malaysia) Bhd
- HSBC Bank Malaysia Berhad
- OCBC Bank (Malaysia) Berhad
- Citibank Berhad

SPONSOR

UOB Kay Hian Securities (M) Sdn Bhd
Suite 19.03, 19th Floor, Menara Keck
Seng, 203, Jalan Bukit Bintang
55100, Kuala Lumpur
Tel : (03) 2147 1888 Fax : (03) 2147 1950

CORPORATE STRUCTURE



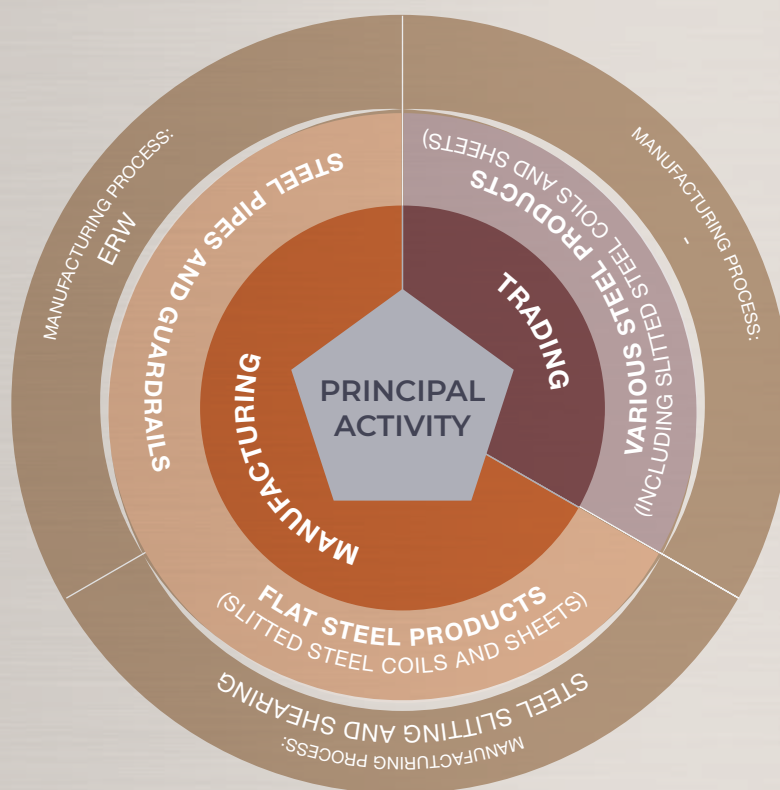
GROUP CORPORATE PROFILE

Our Group is principally involved in the following business segments:

- (i) manufacturing of steel products; and
- (ii) trading in steel products.

The following diagram illustrates our Group's business model:

BUSINESS MODEL



CUSTOMERS SEGMENTS

- Building material or steel trading companies
- End-customers (Manufacturers and contractors)
- Furniture and automotive

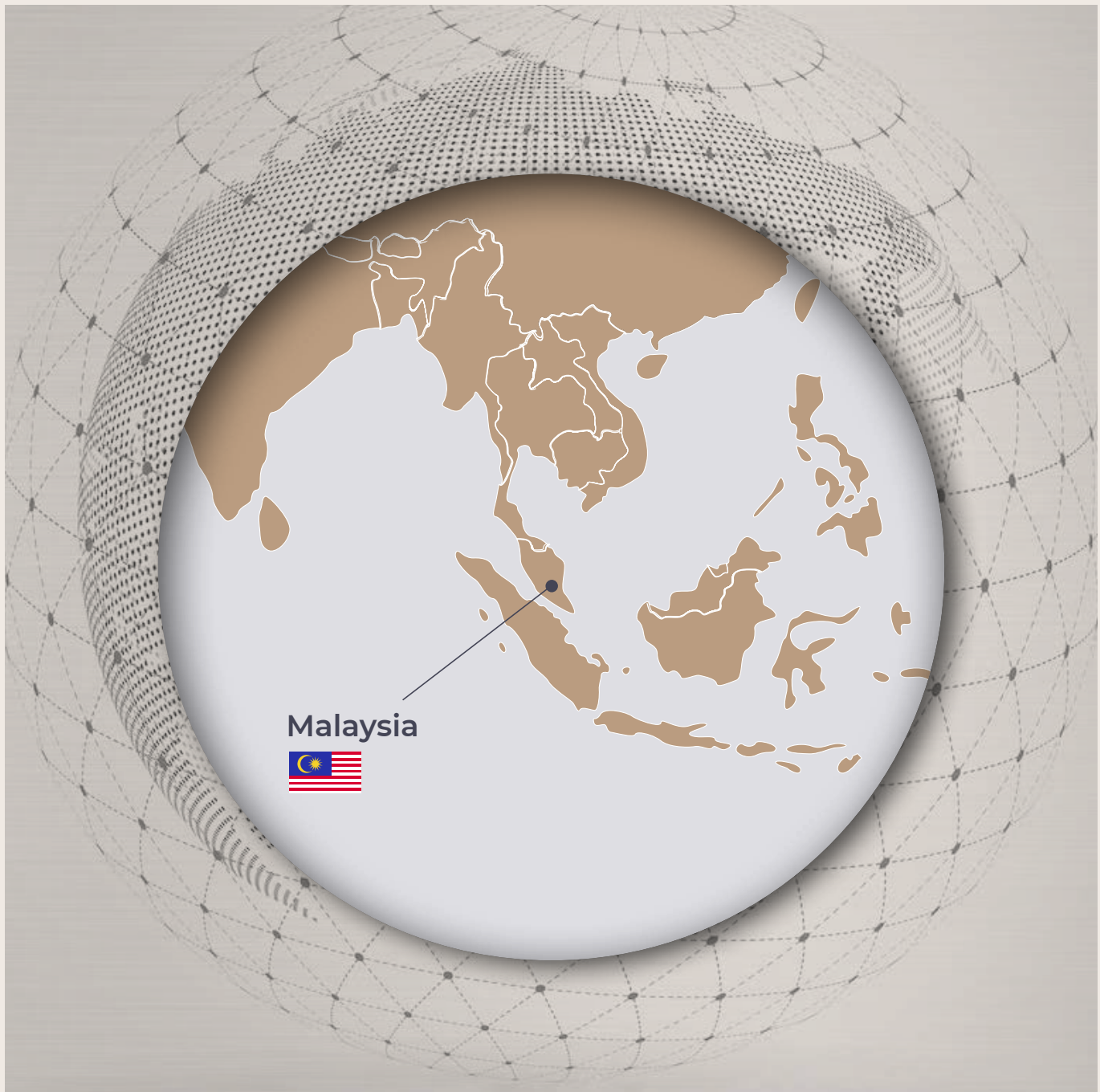
COMPETITIVE STRENGTHS

- We have a wide range of steel pipes, guardrails and flat steel products that can cater for various end-user industry applications
- Our Group's processing facilities are well equipped
- We are committed to produce quality steel products
- We have integrated operations in producing steel pipes, from production of materials to delivery of finished products
- We have experienced and technically strong key senior management team

OUR PRESENCE

Reliable Steel Product Manufacturer

Our Group's headquarters and processing facilities are based in Malaysia and our sales are primarily generated from Malaysia.



1995



Incorporation of Leform Sdn Bhd

2005
2008

Purchased Lot 4306 - 4312

2010



Awarded ISO 9001:2008 by TUV Nord Cert. GmbH

KEY CORPORATE MILESTONES

2003



Started with 3 pipe mills with total annual production capacity of 11,323 MT

2009



Completion of Plant 1 in Lot 4306 - 4309

2011



Completion of Plant 2 in Lot 4310 - 4312. Annual production output of 56,937 MT

2017



Completion of Plant 3 in Lot 858

2018



Steel pipes were first approved by Construction Industry Development Board ("CIDB") to be used as scaffolding

2019



Guardrails were approved by CIDB
Commence operations in Plant 3

2022



Listing on the ACE Market

2023



Successfully convened our first Annual General Meeting ("AGM") as a public listed company. This historic event took place amidst the elegant surroundings of the Sheraton Hotel in Petaling Jaya on Tuesday, June 27, 2023, commencing promptly at 10:00 a.m. It marked a significant milestone in our journey, symbolising our commitment to transparency, accountability, and stakeholder engagement. The AGM provided a platform for shareholders, board members, and management to come together, reflect on our achievements, address pertinent issues, and chart the course for our future endeavors.

FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

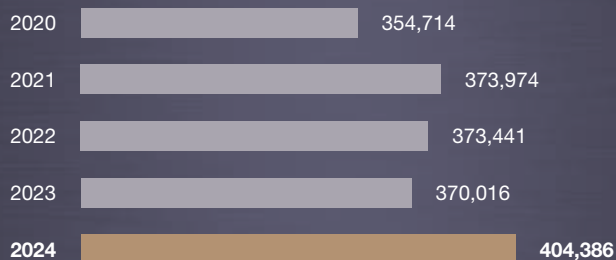
	2020	2021	2022	2023	2024
OPERATING RESULTS (RM'000)					
Revenue	354,714	373,974	373,441	370,016	404,386
Gross Profit ("GP")	31,200	79,889	14,452	13,242	24,928
Earnings Before Interest, Tax, Depreciation & Amortisation ("EBITDA")	27,434	76,252	13,042	11,208	20,130
Profit/(Loss) Before Taxation	10,661	61,873	(3,295)	(8,296)	1,632
Profit/(Loss) After Taxation	7,137	45,410	(7,281)	(5,141)	1,428
KEY FINANCIAL POSITION DATA (RM'000)					
Total Assets	348,397	390,011	516,158	456,547	456,868
Total Equity	125,758	169,810	234,430	215,960	220,884
Total Liabilities	222,639	220,201	281,728	240,587	235,984
FINANCIAL RATIOS					
GP Margin (%)	8.8	21.4	3.9	3.6	6.2
Profit/(Loss) Before Taxation Margin (%)	3.0	16.5	(0.9)	(2.2)	0.4
(Loss)/Profit After Taxation Margin (%)	2.0	12.1	(1.9)	(1.4)	0.4
Weighted Average Number of Ordinary Shares in Issue ('000)	1,170,000	1,170,000	1,197,267	1,481,013	1,481,013
Basic Earnings/(Loss) Per Share (sen)	0.6	3.8	(0.6)	(0.3)	0.16

REVENUE (RM'000)



404,386

+9.3%



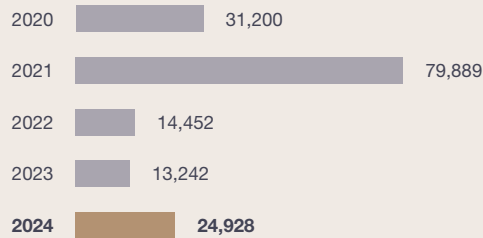
FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

GROSS PROFIT (RM'000)



24,928

+88.2%

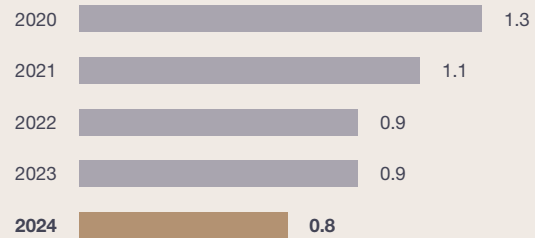


GEARING RATIOS (TIMES)



0.8

-11.1%

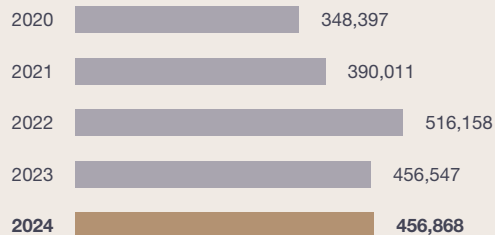


TOTAL ASSETS (RM'000)



456,868

+0.1

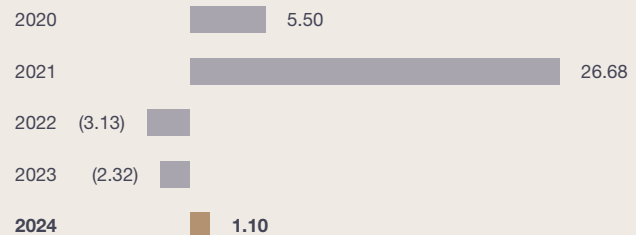


RETURN ON EQUITY (%)



1.10

+147.4%

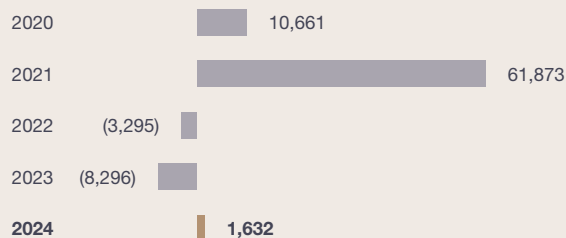


PROFIT/(LOSS) BEFORE TAXATION (RM'000)



1,632

+119.7%

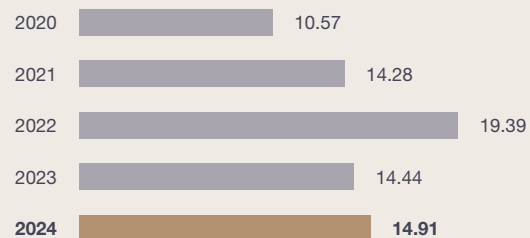


NET ASSETS PER SHARE (SEN)



14.91

+3.3%



CHAIRMAN'S STATEMENT

Dear Valued Stakeholders,

It is with great pride that I present to you Leform Berhad's ("Leform", or "the Group") Integrated Annual Report for the financial year ended 31 December 2024 ("FY2024").

This year has been transformative for Leform, marked by a return to profitability and significant strides in our sustainability journey. Our achievements underscore the resilience of our strategic initiatives and our unwavering commitment to creating long-term value for our stakeholders.

STEEL-ING OURSELVES FOR CHALLENGES

The global and Malaysian economies experienced a mixed recovery in FY2024, with declining global inflation providing some relief. However, this relief was not immediately reflected in the steel industry. Structural overcapacity in the steel industry, driven by geopolitical conflicts and the downturn in China's real estate sector, continued to weigh on market dynamics. Persistent supply-demand imbalances and intense competition presented significant challenges to industry players, while the rising cost of conducting business, including higher minimum wages and escalating energy prices, further pressured margins. Additionally, unfair trade practices continued to disrupt competition, adding another layer of complexity to market conditions.

These developments highlight the importance of agility and strategic foresight in navigating the evolving market dynamics. Despite these headwinds, Leform has remained agile and adaptive, ensuring that we continue to deliver value to our stakeholders while strategically positioning ourselves for future growth.

I am pleased to share that the Group has returned to profitability in FY2024, reflecting the effectiveness of our financial discipline, cost management strategies, and operational efficiency improvements. While no dividend was declared for FY2024, we remain firmly committed to delivering sustainable, long-term value to our shareholders.

Throughout the year, we placed strong emphasis on inventory management and strategic procurement to mitigate cost fluctuations. By diversifying our sourcing strategies, we strengthened our supply chain resilience while maintaining competitive pricing. Simultaneously, we prioritised operational efficiency and cost optimisation, ensuring that our financial resources were utilised effectively to drive sustainable growth. Through a combination of streamlined operations, strategic procurement, and a focus on market-driven demand, we have improved operating margins while maintaining financial stability. These measures have reinforced our financial position, enabling us to navigate market challenges while sustaining a competitive edge.

CHAIRMAN'S STATEMENT

EXPANDING OUR CAPABILITIES

We have made significant progress in the construction of our new headquarters, workers' accommodation, and additional warehouse storage facility in Serendah, which is now 90% complete and on track for completion in the second half of the financial year ending 31 December 2025. This new warehouse will expand our storage capacity by 93.2%, enabling us to stock products in advance of orders, improve delivery efficiency, and procure steel materials ahead of anticipated price increases and enhancing our gross profit margins. Additionally, it will improve logistical efficiency and overall productivity, allowing us to better meet increasing customer demand. With this expansion, the Group's machinery utilisation rate will increase significantly, reducing lead times and ensuring faster, more efficient deliveries. This infrastructure enhancement will strengthen our market positioning, allowing us to capitalise on new opportunities and further reinforce our operational capabilities.

We remain committed to investing in long-term expansion initiatives that will enhance our competitiveness and sustain business growth. By continually refining our business strategies, we ensure that we remain resilient, future-ready, and positioned for sustainable success.

CONSTRUCTION OF NEW HEADQUARTERS, WORKERS' ACCOMMODATION, AND ADDITIONAL WAREHOUSE STORAGE FACILITY IN SERENDAH IS



90% COMPLETE

NEW WAREHOUSE WILL EXPAND OUR STORAGE CAPACITY BY



93.2%

CORPORATE GOVERNANCE AND RISK MANAGEMENT

Strong corporate governance and effective risk management are critical to Leform's sustainable growth. In FY2024, we continued to uphold transparency, accountability, and integrity in our decision-making processes. Our Board of Directors and Audit and Risk Management Committee play a vital role in ensuring compliance with regulatory standards and proactively mitigating risks.

Key risk factors impacting our industry this year included raw material price volatility, rising energy costs, and increasing regulatory scrutiny. To address these challenges, we implemented robust risk management strategies, including optimising procurement and inventory management to mitigate cost fluctuations. We enhanced operational efficiency to reduce overhead costs while improving margins. Additionally, we maintained continuous engagement with regulators and stakeholders to stay ahead of compliance requirements.

By integrating risk management into our overall strategy, the Group remains agile, resilient, and well-prepared to navigate future uncertainties.

SUSTAINABILITY AND VALUE CREATION

At Leform, sustainability is not just a commitment, it is a core driver of our value creation strategy. The steel industry is a significant contributor to global emissions, and as a responsible manufacturer, we are actively investing in renewable energy solutions to reduce our carbon footprint.

In FY2024, we retrofitted solar panels on our factory roofs, reducing our reliance on conventional energy sources and lower operational costs over time. This investment aligns with Malaysia's National Energy Transition Roadmap and global decarbonisation efforts within the steel sector.

Beyond environmental sustainability, we remain committed to enhancing social responsibility initiatives, ensuring safe working conditions, ethical labour practices, and continuous employee development. Our approach integrates Environmental, Social, and Governance principles to build a more resilient and future-ready business.

CHAIRMAN'S STATEMENT

FORGING AHEAD: POSITIONING FOR SUSTAINABLE GROWTH

Looking ahead to FY2025 and beyond, we remain cautiously optimistic about the growth prospects in the steel industry. The Malaysian government's commitment to infrastructure spending in Budget 2025 is expected to drive demand for steel products, offering opportunities for industry players.

However, we acknowledge that global economic uncertainties, fluctuations in raw material prices, and evolving environmental regulations will continue to shape the industry landscape. Energy costs and carbon reduction requirements will also play an increasingly critical role in operational planning and industry competitiveness.

In addition, renewed global trade tensions have raised concerns across the steel industry. While the direct impact on Leform is minimal as we do not export to the United States, we remain alert to any ripple effects that may influence global supply chains.

To future-proof our business, Leform will focus on enhancing operational efficiency through technology adoption and process automation. We will continue to expand our market reach to capitalise on domestic and regional demand. Strengthening our sustainability initiatives remains a priority, ensuring that our strategies align with both global and national ESG goals.

By maintaining a proactive approach to market trends and emerging risks, we are confident in our ability to deliver long-term value for our shareholders, customers, and stakeholders.

APPRECIATION

On behalf of the Board of Directors, I extend my heartfelt gratitude to our employees, management team, and business partners for their dedication and hard work. Your contributions have been instrumental in driving the Group's success and positioning us for a sustainable future.



To our valued shareholders and stakeholders, I sincerely appreciate your trust and confidence in our vision. Your unwavering support continues to motivate us to strive for excellence, innovation, and responsible growth.

As we embark on the next chapter, I am optimistic that with strategic foresight, strong governance, and a firm commitment to sustainability, Leform will continue to grow, innovate, and create enduring value for all stakeholders.

Thank you.

Datuk Seri Akhil bin Bulat
Independent Non-Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Leform Berhad (“Leform” or “the Group”) is primarily involved in the manufacturing and trading of steel products, with a strong focus on serving the needs of the construction, furniture, automotive parts, and engineering industries. Backed by over two decades of industry experience, the Group has built a reputation for quality, reliability, and adaptability in the highly cyclical and competitive steel market.

Operating primarily from the Group’s headquarters in Serendah, Selangor, Leform’s integrated operations encompass the manufacturing of welded steel pipes and tubes, flat steel products, and related steel-based products, alongside trading and logistics services that support our end-to-end supply chain.

Leform’s vertically integrated business model, covering procurement, production, quality control, warehousing, logistics, and customer service, enables us to offer responsive, value-added solutions tailored to the diverse needs of our clients, while upholding stringent quality and delivery standards.

As a socially responsible organisation, Leform is committed to supporting the Malaysian Government’s sustainability agenda while contributing to the growing green steel movement. As we continue to grow, we remain focused on reducing our carbon footprint across all aspects of our operations. This includes adopting measures to minimise emissions and actively exploring alternative energy sources to reduce reliance on fossil fuels, in line with our long-term strategic priorities.

OUR PRODUCTS

Leform’s product range is designed to meet the requirements of multiple end-user industries. Our offerings include:



Round Steel Pipes

Manufactured using Electric Resistance Welding (ERW) techniques, our round steel pipes are widely utilised in structural applications across the construction, furniture, and industrial sectors. These pipes are produced to meet stringent quality standards, ensuring both durability and reliability.



Steel Hollow Sections

Leform’s steel hollow sections, available in square and rectangular profiles, are designed for structural and mechanical applications. They offer excellent strength-to-weight ratios, making them ideal for use in construction frameworks, machinery, and equipment manufacturing.



Oval and Ellipse Steel Pipes

Leform produces oval and ellipse-shaped steel pipes that cater to specialised design requirements, particularly in the furniture and architectural sectors. These pipes provide aesthetic appeal without compromising structural integrity.



Scaffolding Pipes

Leform’s product portfolio includes construction-grade scaffolding pipes, certified by the Construction Industry Development Board (CIDB). Engineered for strength and reliability, these pipes are designed to meet the rising demand for certified scaffolding systems in building and infrastructure developments.

MANAGEMENT DISCUSSION AND ANALYSIS

OUR PRODUCTS (CONT'D)



Gate Channels, Trolley Tracks, and U-Channels

Leform offers range includes gate channels, trolley tracks, and U-channels, which are essential components in various structural and support systems. These products are crafted to precise dimensions to facilitate seamless integration into larger assemblies.



Guardrails

We manufacture high-strength guardrails used predominantly in road safety systems. These guardrails are designed to withstand significant impact, providing effective protection on highways and other roadways.



Slitted Steel Coils

Leform processes the slitted steel coils to specific widths, catering to manufacturers who require precise dimensions for their production processes. These coils are commonly used in the production of automotive components, appliances, and other steel-based products.



Steel Sheets

Leform offers high-quality steel sheets suitable for a variety of applications, including fabrication, construction, and industrial manufacturing. Our steel sheets are available in various thicknesses and dimensions to meet specific customer requirements.

By continually expanding and diversifying our product offerings, Leform remains committed to delivering steel solutions that align with the evolving needs of our clients and the industries we serve.

OVERVIEW

In the financial year ended 31 December 2024 ("FY2024"), Leform demonstrated steady progress across financial, operational, and strategic fronts amid a volatile global steel market. The Group returned to profitability, underpinned by higher sales volume, strategic procurement practices, and enhanced inventory management supported by our ongoing warehouse expansion.

OPERATING ENVIRONMENT

The global steel industry continued to experience pricing volatility in 2024, driven by demand uncertainties from China, macroeconomic tightening, and evolving trade dynamics. Changes in tariffs, trade policies, and regulatory frameworks also played a role in shaping the competitive landscape. Domestically, the steel sector remained supported by Malaysia's infrastructure development agenda.

Leform navigated these headwinds through proactive inventory planning, enhanced bulk procurement, and timely sourcing decisions. Exchange rate fluctuations, particularly against the USD, impacted raw material import costs, but the Group's prudent purchasing strategy helped mitigate margin compression. The resilience of the domestic market, supported by projects such as the MRT3 Circle Line, East Coast Rail Link ("ECRL"), Pan Borneo Highway, and industrial developments under the New Industrial Master Plan 2030 ("NIMP 2030"), provided demand stability across our key customer segments.

UTILISATION OF IPO PROCEEDS

Leform was listed on the ACE Market of Bursa Malaysia Securities Berhad on 30 November 2022 in conjunction with its initial public offering ("IPO"). The gross proceeds of RM71.5 million raised from Leform's IPO have been fully utilised during the FY2024.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

The Group recorded a revenue of RM404.4 million in FY2024, representing a 9.3% increase from the RM370.0 million recorded in the previous financial year ended 31 December 2023 ("FY2023"). This was largely driven by an 18.1% increase in sales volume, which offset the impact of lower average selling prices. Gross profit increased to RM24.9 million from RM13.2 million previously, reflecting improvements in volume-driven margins and supply chain efficiencies.

Other income decreased from RM11.3 million to RM5.1 million following fewer disposal gains, while administrative and other expenses were well contained. Finance costs decreased from RM12.7 million to RM11.3 million, in line with lower trade borrowings and better capital management.

The Group achieved a profit before tax of RM1.6 million in FY2024, reversing a loss before tax of RM8.3 million recorded in FY2023. This turnaround was driven by an improved gross profit margin, which increased from 3.6% to 6.2%, and was supported by stronger sales demand. After accounting for taxes and non-controlling interests, profit attributable to shareholders stood at RM2.4 million, compared to a loss of RM5.0 million in the previous year.

The Group's total comprehensive income of RM5.0 million was mainly boosted by a RM3.6 million revaluation gain on properties for FY2024. This lifted total equity to RM220.9 million, up from RM216.0 million in FY2023.

SEGMENTAL REVIEW

Details	Revenue FY2024 (RM'000)	Revenue FY2023 (RM'000)	Variance
Manufacturing	288,732	264,461	+9.2%
Trading	115,530	105,462	+9.5%
Transportation	124	93	+33.3%
Total	404,386	370,016	+9.3%

The manufacturing segment recorded a revenue increase of 9.2% to RM288.7 million, primarily attributed to improved market demand for steel products. The segment's profit rose to RM14.4 million, underpinned by a stronger gross profit margin, marking a recovery from the previous year, which was impacted by weaker steel prices and elevated material

costs. The improved performance reflects the Group's ability to navigate pricing volatility while responding effectively to market opportunities.

The trading segment recorded a revenue by RM115.5 million, an increase by RM10.1 million from the previous year, driven by higher demand. The segment's profit was recorded lower at RM0.4 million, driven by a one-off gain on disposal of a machinery in the previous year.

Overall, fluctuations within the transportation segment did not have a material impact on the Group's financial performance. For the financial year, the segment registered a marginal increase in revenue to RM0.1 million. However, its profit contribution declined to RM0.07 million, reflecting subdued operational margins during the period.

CAPITAL STRUCTURE

	FY2024 (RM'000)	FY2023 (RM'000)
Total interest-bearing borrowings*	169,975	191,171
Total shareholders' equity	219,836	213,819
Gearing ratio (times)	0.8	0.9

* Total interest-bearing borrowings include banker's acceptance, revolving credit, bank overdrafts, form loans, trust receipts and hire purchase owing to financial institutions for the purchase of motor vehicles.

The Group's improved gearing ratio is due to lesser net drawdowns of credit facilities and prudent debt management, including prioritising internal funding and controlling borrowing levels.

CAPITAL COMMITMENT

	FY2024 (RM'000)	FY2023 (RM'000)
Contracted but not provided for		
Purchase of equipment	2,742	3,196
Construction of property	1,758	14,082
Total	4,500	17,278

The reduction in the Group's capital commitments is mainly due to the progress towards completion of the new integrated warehouse facilities.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONAL HIGHLIGHTS

Warehouse Expansion

The new warehouse in Serendah is 90% complete and on track for commissioning in 2H 2025. Once completed, it will increase our storage capacity by 93.2% to 311,720 MT and enhance logistics and procurement efficiency.

RISK MANAGEMENT

The Group recognises that effective risk management is essential for safeguarding shareholder value and sustaining long-term business performance. In FY2024, Leform continued to operate in a dynamic environment shaped by macroeconomic volatility, currency fluctuations, and industry-specific challenges such as raw material cost pressures and supply chain disruptions.

In response, the Group maintained a proactive approach to risk identification and mitigation, ensuring that key operational, financial, and strategic risks were regularly monitored and addressed. While there were no material changes to our risk management framework during the year, ongoing assessments were carried out to ensure alignment with prevailing business conditions and regulatory requirements.

Key areas of focus in FY2024 included:

• Raw Material Price Volatility:

Leform mitigated exposure to steel price fluctuations through bulk purchasing strategies and the optimisation of inventory cycles, made possible by our expanded warehousing capacity.

• Foreign Exchange Risk:

With a significant portion of raw materials imported, the depreciation of the Malaysian Ringgit against the US Dollar impacted procurement costs. The Group actively monitored currency movements and adjusted sourcing and payment strategies accordingly.

• Operational Continuity:

To manage supply chain disruptions and labour shortages, Leform strengthened our relationships with key suppliers, streamlined logistics through the in-house transport arm, and improved efficiency through enhanced internal coordination across departments.

• Workforce Risk:

The Group continued to address talent retention and foreign labour dependency through training, automation, and investments in dedicated worker accommodation under Leform CLQ Sdn Bhd.

Looking ahead, Leform remains committed to enhancing our risk governance by embedding risk awareness across all levels of the organisation. The Board and Management will continue to review risk exposures regularly and take pre-emptive measures to ensure the Group's resilience and operational agility in a continuously evolving environment.

SUSTAINABILITY

In FY2024, the Group focused on key areas including enhancing governance by providing mandatory anti-corruption training for employees, reducing environmental impact through solarisation of the Group's plants by February 2024, and continuing our commitment to fostering a talented and skilled workforce through targeted training programmes in quality management, auditing, financial planning and budgeting. These initiatives improved our culture of integrity, refined our environmental management strategies and equipped our team for long-term success.

MANAGEMENT DISCUSSION AND ANALYSIS

PROSPECTS AND OUTLOOK

Looking ahead to the financial year ending 31 December 2025 (“FY2025”), Leform remains cautiously optimistic about our growth prospects amidst a landscape shaped by global economic uncertainties, evolving trade dynamics, and continued volatility in steel prices. The Group anticipates that the steel industry will continue to face a mix of challenges and opportunities, influenced by fluctuating raw material costs, geopolitical tensions, and supply-demand imbalances. Nevertheless, sustained government investment in infrastructure, coupled with Leform’s own capacity expansion, is expected to provide a solid foundation for future performance.

Malaysia’s commitment to infrastructure development is expected to continue supporting domestic steel demand. Under Budget 2025, the Government allocated RM90 billion for development expenditure, with a significant portion directed toward public transportation, road upgrades, and renewable energy-linked construction. Key national initiatives, including the MRT3 Circle Line, ECRL, Pan Borneo Highway, and the broader implementation of the NIMP 2030, are anticipated to generate robust demand for steel products, particularly within the construction, transportation, and industrial development sectors.

Leform is well-positioned to benefit from these opportunities through our diversified product range, including the recent introduction of scaffolding pipes certified by CIDB, and our expanded warehousing capacity, which enables efficient stockpiling and timely delivery to large-scale project contractors.

The Group’s strategic investments in infrastructure are expected to enhance both capacity and operational resilience. The upcoming completion of Leform’s new warehouse facility in Serendah will support bulk purchasing strategies and improve overall logistics efficiency. Additionally, the establishment of a new subsidiary to explore solar mounting structure manufacturing signals the Group’s intent to tap into emerging growth areas aligned with renewable energy and green construction.

With increased machinery utilisation, improved workflows, and a leaner cost structure, Leform aims to enhance production output, reduce lead times, and improve customer responsiveness in FY2025.

On the global front, the push toward sustainable steel production and the emergence of the green steel movement are expected to reshape industry expectations. Leform remains aligned with these developments, having installed rooftop solar panels in FY2024 as part of our environmental commitment. The Group will continue to monitor ESG trends and evaluate opportunities for green product innovation and energy efficiency across our operations.

Meanwhile, uncertainties stemming from the U.S.-China trade tensions and shifting tariff landscapes remain a key consideration. While Leform is not directly exposed to the US market, these trade measures may create ripple effects in global supply chains and pricing trends.

In addition, Southeast Asia’s construction and manufacturing recovery, fuelled by public investment and foreign direct investment inflows into industrial parks and data centres, is expected to support steel demand in the region. This outlook bodes well for Leform, particularly in our positioning as a reliable regional supplier of welded steel pipes and infrastructure components.

To capitalise on these trends, Leform will focus on:

- Finalising our capacity expansion efforts, including the new warehouse and accommodation facilities.
- Broadening our product portfolio, particularly in high-margin categories such as scaffolding and renewable infrastructure components.
- Strengthening operational efficiency through automation, inventory control, and integrated logistics.
- Diversifying our market reach by exploring new customer segments and industries.

Despite external uncertainties, Leform enters FY2025 with a strong foundation, robust infrastructure, and a clear strategic direction. By maintaining our focus on efficiency, sustainability, and customer value, the Group is well-positioned to pursue sustainable growth and deliver long-term shareholder value.

SUSTAINABILITY STATEMENT

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FORGING A SUSTAINABLE FUTURE IN STEEL

DISCUSSING THE STATEMENT

As an integrated steel manufacturer and trader, Leform Berhad (“Leform” or “the Company”) and our subsidiaries (“the Group”) are committed to implementing sustainable processes that enhance industry resilience. As such, Leform is pleased to present the sustainability statement for the financial year 2024 (“FY2024”), which details the environmental, social and governance (“ESG”) developments shaping our operations.

HIGHLIGHTS IN FY2024

Leform made steady progress in FY2024, focusing on key areas such as ethical practices, environmental impact and workforce development. To strengthen ethical business practices, we implemented enhanced anti-corruption measures including mandatory anti-corruption training for our employees, fostering a culture of integrity throughout the company.

As part of our commitment to reducing our environmental footprint, we began installing solar panels, which were fully operational by February 2024. This marks a significant step in our transition to renewable energy and lowering our carbon footprint.

Recognising the importance of investing in our people, Leform prioritised employee development through targeted training programmes in areas such as quality management, auditing, financial planning and budgeting in FY2024. These initiatives are designed to equip our workforce with the skills needed for long-term success and to achieve our sustainability goals.

REPORTING SCOPE AND BOUNDARY

The reporting period for this statement covers 1 January 2024 to 31 December 2024 (“FY2024”) and includes the primary business activities of our head office at Rawang and the following wholly owned subsidiaries across Malaysia.

- Leform Berhad
- Leform Steel Pipes Sdn Bhd
- Leform CLQ Sdn Bhd
- Leform Metal Sdn Bhd
- Leform Transport Sdn Bhd
- Leform Steel Service Centre Sdn Bhd
- LF Metal Sdn Bhd
- Leform Marketing Sdn Bhd
- LF Engineering Sdn Bhd

Where relevant, historical data from the past three years has been included for comparative and trend analysis.

REPORTING FRAMEWORK

The statement was prepared in accordance with Bursa Malaysia’s Sustainability Reporting Guide (3rd Edition) to ensure cohesive reporting, with ESG disclosures benchmarked against the Global Reporting Initiative (“GRI”) Standards and aligned with the United Nations Sustainable Development Goals (“UN SDGs”).

MEMBERSHIPS AND ASSOCIATIONS

As a member of the Malaysia Steel and Metal Distributors’ Association (“MSMDA”), we stay updated on the latest developments and best practices within the steel manufacturing industry.

FOCUS ON PRECISION

All data presented in this statement was internally sourced, verified and validated by the respective business divisions and information owners. We are committed to enhancing our data collection and analysis procedures in preparation for external assurance in the upcoming years.

FEEDBACK AND CONTACT POINT

Leform welcomes comments, feedback and inquiries as part of our ongoing commitment to continuous improvement. Kindly direct all feedback or recommendations to the contact provided below.

Leform Berhad

PT 16077 & PT16078, Jalan Kesidang 4,
Kawasan Perindustrian Sungai Choh,
48200 Serendah, Selangor.

Phone: +603-6099 0666

Email: sales@leformgroup.com.my

SUSTAINABILITY HIGHLIGHTS



Economic Growth



RM 404,386,019

Economic Value Generated



Good Governance



Zero

cases of corruption & whistleblowing



Zero

substantiated complaints concerning customers' privacy breaches or data losses



Commenced anti-bribery and anti-corruption training for employees



Environmental Stewardship



34%

of electricity consumed is generated from solar energy



24%

reduction in Scope 2 GHG Emissions



Zero

discharge of wastewater by recycling and reusing wastewater



100%

scrap metal collected by licensed recyclers annually



Social Responsibility



Zero

substantiated complaints concerning human rights violations



43%

women representation on the Board



13

average hours of training per employee



RM 26,800

invested in community where the target beneficiaries are external to the listed issuer



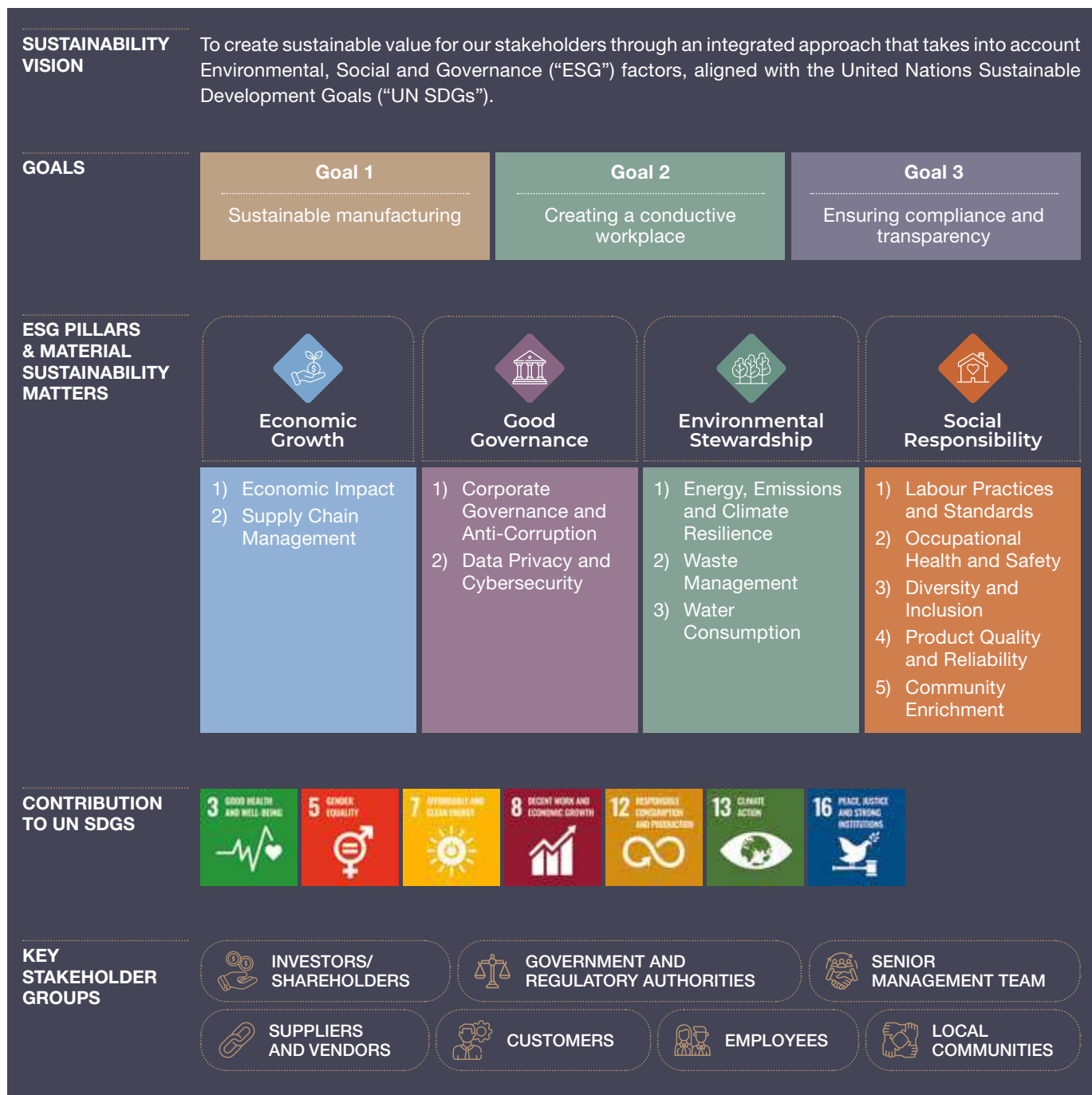
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organisations benefited from community investment

OUR APPROACH TO SUSTAINABILITY

ESG STRATEGY





Guided by our Sustainability Vision, our ESG strategy integrates sustainability into corporate goals to optimise decision-making and drive sustainable development. This is anchored in four ESG pillars aligned with our material matters and seven UN SDGs, ensuring our initiatives remain closely aligned with the Group's sustainability objectives.



OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY POLICY

Our Sustainability Policy embeds core principles and guidelines across all operations, with specific ESG objectives to align initiatives with our commitments. This ensures that Leform operates ethically, promotes responsible economic growth and minimises environmental impacts in the communities where we operate.

 Economic Growth	 Good Governance	 Environmental Stewardship	 Social Responsibility
<ul style="list-style-type: none"> Adopting a sustainable business model emphasising quality products, value-added services and ethical practices. Conducting regular assessments to identify and mitigate potential risks associated within our value chain, ensuring compliance with ethical and responsible sourcing practices. Prioritising the delivery of returns to our shareholders while considering the long-term impacts of our actions. 	<ul style="list-style-type: none"> Maintaining transparent and open communication with our stakeholders, ensuring disclosure of accurate information regarding our sustainability practices, performance and goals. Upholding the highest level of ethics and integrity in our business operations, encouraging a culture of honesty, fairness and accountability. 	<ul style="list-style-type: none"> Maintaining and improving our level of environmental management by strictly complying with environmental-related laws and regulations. Implementing efficient resource management practices to minimise waste generation, reduce energy consumption and promote the use of renewable resources. Continuously investing in technology and processes that reduce our production cost, carbon footprint and other emissions by striving for environmentally-friendly manufacturing processes. 	<ul style="list-style-type: none"> Prioritising employee health, safety and well-being by implementing stringent safety guidelines and protocols, while providing regular training to promote a safe and healthy work environment. Fostering an inclusive and diverse workplace, treating all employees with respect and dignity, while providing opportunities for professional development and promoting well-being and satisfaction.

SUSTAINABILITY GOVERNANCE STRUCTURE

Our three-tier sustainability governance structure outlines the roles and responsibilities of the Board of Directors, Executive Director and Sustainability Committee, ensuring transparency and accountability in the implementation of sustainable initiatives.

Leform's Sustainability Governance Structure

GOVERNANCE	ROLES AND RESPONSIBILITIES
 Board of Directors	<ul style="list-style-type: none"> To provide strategic oversight over the Group's overall sustainability agenda, policies, strategies and ESG performance. To approve the material sustainability matters, materiality matrix and annual Sustainability Statement.
 Executive Director	<ul style="list-style-type: none"> To recommend sustainability strategies, initiatives and targets in line with the Group's business strategy to the Board. To oversee the implementation of the Group's sustainability initiatives, targets and ESG performance and report progress to the Board.
 Sustainability Committee	<ul style="list-style-type: none"> To identify and propose material sustainability matters that are significant to the Group's business operations and stakeholder groups to the Executive Director. To integrate sustainability strategies and initiatives into the Group's day-to-day operations.

OUR APPROACH TO SUSTAINABILITY

OUR CONTRIBUTION TO THE UN SDGs

The UN SDGs provide a global framework for creating a more equitable world by 2030. Leform is dedicated to advancing five key UN SDGs and their associated targets, aligned with our steel manufacturing and trade operations. These goals guide our efforts in managing risks and seizing opportunities, ensuring our practices contribute to a sustainable future.



UN SDG 3: GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all at all ages

Why it matters to us:

Potential hazards associated with the steel industry include exposure to potentially harmful substances. By prioritising occupational health and safety, we reduce workplace hazards, enhance productivity and fulfil our responsibility to public health.

Targets:

3.4 Reduce the number of premature mortalities through prevention and treatment and promote mental health and well-being.

Initiatives & Performances:

- Established a Safety Committee to monitor Occupational Health and Safety compliances.
- Zero cases of occupational illness or disease.
- Total lost time injury rate ("LTIR") reduced from 1.92 to 1.35 in FY2024.



UN SDG 5: GENDER EQUALITY

Achieve gender equality and empower all women and girls

Why it matters to us:

Leform promotes a corporate culture that values equity and inclusivity. By supporting women's participation and advancement, we aim to foster a diverse leadership team that drives innovative solutions and enhances decision-making.

Targets:

5.5 Ensure women's full and effective participation for leadership.
5.c Enhance policies and laws for gender equality and empowerment of women and girls at all levels.

Initiatives & Performances:

- Ensured that the Board is comprised of at least 30% women.
- Established the Gender Diversity Policy and conducted annual reviews on the scope and applicability of the policy.



UN SDG 7: AFFORDABLE AND CLEAN ENERGY

Ensure access to affordable, reliable, sustainable and modern energy for all

Why it matters to us:

Energy consumption is a significant aspect of steel manufacturing. Transitioning to renewable energy sources enhances sustainability, reduces operational costs and our carbon footprint.

Targets:

7.2 Increase substantially the share of renewable energy in the global energy mix.

Initiatives & Performances:

- 1,896,881 kWh of renewable energy generated from newly installed solar PV panels at the facility.

OUR APPROACH TO SUSTAINABILITY

OUR CONTRIBUTION TO THE UN SDGS (CONT'D)



UN SDG 8: DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Why it matters to us:	Targets:	Initiatives & Performances:
Providing decent work and upholding labour rights are vital for promoting economic growth in our operations. By investing in employee training and maintaining safe working conditions, we enhance productivity and foster a positive workplace culture.	<p>8.7 End modern slavery, trafficking and child labour.</p> <p>8.8 Protect labour rights and promote safe and secure working environments for all workers.</p>	<ul style="list-style-type: none"> Ensured compliance with labour regulations including the Employment Act 1955 and Minimum Wage Order 2022 to uphold fair wages as well as prevent child labour and forced labour. Provided well-maintained accommodation for workers and obtained the Certificate of Accommodation from the Department of Labour. Provided continuous training programmes for employees.



UN SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

Why it matters to us:	Targets:	Initiatives & Performances:
Adopting sustainable production practices and effective waste management is essential in the steel industry to minimise resource consumption and environmental impact.	<p>12.4 Environmentally sound management of waste.</p>	<ul style="list-style-type: none"> Enabled the responsible management of manufacturing waste by appointing a Department of Environment ("DOE") authorised contractor to discard waste. Facilitated the recycling of scrap metals, ensuring valuable materials are reintroduced into the production cycle and minimising waste sent to landfill.



UN SDG 13: CLIMATE ACTION

Take urgent action to combat climate change and its impact

Why it matters to us:	Targets:	Initiatives & Performances:
Addressing climate change is critical in the steel manufacturing industry, which contributes significantly to emissions. By integrating climate measures and improving energy efficiency, we reduce our carbon footprint and enhance our sustainability efforts.	<p>13.2 Integrate climate change measures and policies.</p> <p>13.3 Build knowledge and capacity to meet climate change.</p>	<ul style="list-style-type: none"> Actively assessed improvements in energy efficiency to lower production costs and our carbon footprint. Assessed the possibilities for the installation of solar photovoltaic (PV) panels to provide energy for the operational plant within the manufacturing facilities.

OUR APPROACH TO SUSTAINABILITY

OUR CONTRIBUTION TO THE UN SDGS (CONT'D)

	UN SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	
Why it matters to us:	Targets:	Initiatives & Performances:
Strong governance and ethical business practices are essential for building trust with our stakeholders. By establishing transparent policies and codes of conduct, we ensure that our businesses are conducted with integrity and promotes a stable operating environment.	16.4 Strengthen measures to address illicit financial activities and combat all forms of organised crime. 16.5 Enhance frameworks and initiatives to prevent corruption and bribery in all their forms.	<ul style="list-style-type: none"> Established codes, policies and procedures: <ul style="list-style-type: none"> o Code of Conduct and Ethics; o Related Party Transaction Policy and Procedures; o Whistleblowing Policy; o Anti-Bribery and Corruption Policy.

STAKEHOLDER ENGAGEMENT

Our success relies on our ability to meet stakeholder expectations and secure their continued support. To achieve this, we engage with them through diverse communication channels to understand their concerns, gaining valuable insights into market trends in steel manufacturing and trade. These collaborative efforts help us to identify material issues and adapt our strategies and sustainability plans accordingly.



INVESTORS/ SHAREHOLDERS

Why We Engage	Engagement Channel
Regular communication with investors and shareholders ensures alignment with their expectations, maintaining confidence in our financial performance and long-term sustainability, which is crucial for attracting ongoing investments.	Annually <ul style="list-style-type: none"> • Annual General Meetings As needed <ul style="list-style-type: none"> • Analyst briefings • Extraordinary General Meetings • Road shows • Bursa Malaysia announcements • Media
Areas of Concern	
<ul style="list-style-type: none"> • Financial and Operational Performance • Corporate Governance • Risk Management 	
Our Responses	
<ul style="list-style-type: none"> • Adopting integrated reporting to communicate our company goals, strategic direction, sustainability initiatives and governance policies, with a focus on long-term value creation • Engaging an Investor Relations team to manage communications 	



GOVERNMENT AND REGULATORY AUTHORITIES

Why We Engage	Engagement Channel
Engaging with government bodies and regulatory authorities ensures compliance with industry regulations, environmental standards and safety protocols. This helps the Group stay informed of policy changes and mitigate potential legal and operational risks.	As needed <ul style="list-style-type: none"> • Meetings and consultations • Site visits and audits
Areas of Concern	
<ul style="list-style-type: none"> • Anti-Bribery and Corruption • Corporate Governance • Regulatory Compliance 	
Our Responses	
<ul style="list-style-type: none"> • Consistently staying abreast of legal and regulatory changes with the support of an internal team and external advisors • Contributing to the Malaysian economy through taxes and employer contributions 	

STAKEHOLDER ENGAGEMENT



CUSTOMERS

Why We Engage	Engagement Channel
Regular engagement with customers allows the Group to understand market needs, deliver quality products and tailor services to meet expectations. Building strong customer relationships fosters loyalty, enhances customer satisfaction and drives repeat business.	As needed <ul style="list-style-type: none"> • Feedback channels • Regular meetings between customers and sales and/ or technical personnel
Areas of Concern	
<ul style="list-style-type: none"> • Product Quality and Safety • Product Pricing and Timely Product Deliveries • After Sales Service 	
Our Responses	
<ul style="list-style-type: none"> • Raising their feedback to management for consideration and future implementation 	



SUPPLIERS AND VENDORS

Why We Engage	Engagement Channel
Maintaining open communication with suppliers and vendors ensures a reliable supply chain, promotes mutually beneficial partnerships and supports the Group's ability to meet production demands.	Bi-annually <ul style="list-style-type: none"> • Regular supplier and vendor meetings As needed <ul style="list-style-type: none"> • Site visits
Areas of Concern	
<ul style="list-style-type: none"> • Regulatory Compliance • Fair Procurement Practice • Produce and Service Quality 	
Our Responses	
<ul style="list-style-type: none"> • Organising regular meetings with suppliers to enable effective production planning and cost efficiency • Conducting periodic reviews ensure timely delivery and better quality 	



SENIOR MANAGEMENT TEAM

Why We Engage	Engagement Channel
Engaging with the senior management team ensures alignment on business goals, strategies and decision-making processes, driving Leform forward with a unified vision that enhances performance and operational efficiency.	As needed <ul style="list-style-type: none"> • Regular meetings with management teams of our segments Quarterly <ul style="list-style-type: none"> • Periodic reports on performance, KPIs, etc.
Areas of Concern	
<ul style="list-style-type: none"> • Business Strategy • Risk Management 	
Our Responses	
<ul style="list-style-type: none"> • Aligning the Group's performance with the overall strategies and goals of the organisation 	

STAKEHOLDER ENGAGEMENT



EMPLOYEES

Why We Engage	Engagement Channel
Regular engagement with employees ensures job satisfaction and boosts productivity. By involving employees in decision-making and addressing their concerns, the Group can cultivate a positive work environment and retain talent.	Ongoing <ul style="list-style-type: none">• Memos, meetings, announcements, messaging groups
Areas of Concern	
<ul style="list-style-type: none">• Occupational Health and Safety• Fair Labour Practices• Capacity Building	
Our Responses	
<ul style="list-style-type: none">• Providing a safe and conducive work environment that supports their development• Ensuring the ongoing provision of employee training to support career advancement	



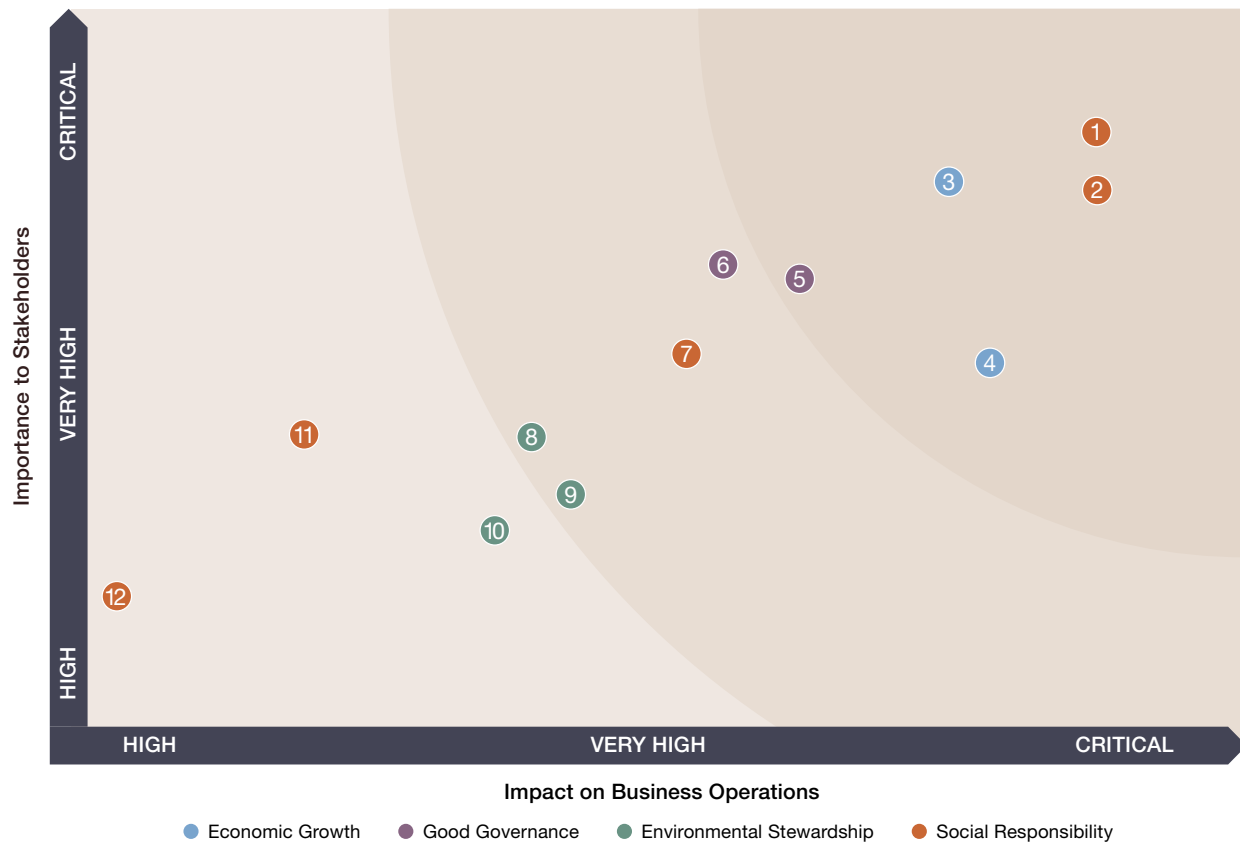
LOCAL COMMUNITIES

Why We Engage	Engagement Channel
Engaging with local communities enables the Group to contribute positively, mitigate operational impacts and enhance our reputation. These relationships foster goodwill, enhance our social licence to operate and support community development.	As needed <ul style="list-style-type: none">• Community members can contact the Group directly via phone or email
Areas of Concern	
<ul style="list-style-type: none">• Social and Environmental Issues• Community Support and Development	
Our Responses	
<ul style="list-style-type: none">• Enhancing our understanding on their needs• Improving our sustainability initiatives• Seeking their input on business matters related to the environment and surrounding areas	

MATERIALITY ASSESSMENT

Material matters are key issues impacting value creation, including economic, governance, environmental and social aspects. Understanding these matters allows us to develop targeted strategies and allocate resources effectively. Materiality assessments help identify the most critical issues for stakeholders and the Group, ensuring alignment with long-term objectives.

























Leform conducted our first materiality assessment in FY2023, evaluating 12 identified material matters. In FY2024, we reviewed the materiality matrix and confirmed its relevance in the current business landscape and industry best practices. The materiality matrix highlights the significance of each matter, with the top-right segment representing those of highest strategic priority.



MATERIALITY ASSESSMENT

MAPPING OF MATERIAL SUSTAINABILITY MATTERS










The Group's mapping process demonstrates the interconnectivity of our material matters with the relevant UN SDGs, stakeholder groups and strategies, ensuring clear objectives.


Material Matters	Our Approach	UN SDGs	Stakeholder Groups
Economic Growth			
Economic Impact	The Group supports local businesses, creating employment opportunities and driving economic growth.		
Supply Chain Management	We prioritise sourcing from local suppliers wherever possible, contributing to the local economy. We also procure high-quality materials from reputable suppliers.		
Good Governance			
Corporate Governance and Anti-Corruption	Guided by a robust governance structure, we uphold high standards of integrity in our operations, implementing policies, codes and procedures to ensure ethical conduct at Leform and with all those we engage with.		
Data and Customer Privacy	We protect customers' data and privacy with established policies and procedures across our subsidiaries.		
Environmental Stewardship			
Energy, Emissions and Climate Resilience	We mitigate our environmental impact and address climate change by managing energy consumption to reduce greenhouse gas ("GHG") emissions.	 	
Water Consumption	The Group strives to enhance water management across our operations through specific measures to manage consumption.		
Waste and Effluent Management	The Group reduces our environmental footprint by managing waste disposal and reducing general waste generation. Our effluents are recycled for use in the Group's activities.		
Social Responsibility			
Health and Safety	Measures are in place to protect employee health and safety by maintaining a safe and conducive working environment.	 	
Fair Labour Practices	The Group upholds the rights of employees and the community by implementing policies and procedures that safeguard these rights across its subsidiaries.		
Diversity and Inclusion	We ensure equal opportunities and engage with our workforce regardless of gender or social background.		
Contribution to Society	The Group allocates resources to support various community initiatives aimed at alleviating the challenges faced by vulnerable groups and communities surrounding our operations.		

KPIS / PERFORMANCE SCORECARD

To ensure the timely progression of our sustainability goals, consistent monitoring is essential. Sustainability Key Performance Indicators (“KPIs”) play a vital role in this process, offering quantifiable metrics to track our progress towards ESG objectives. These data-driven insights allow us to assess long-term progress, evaluate the effectiveness of our initiatives and identify areas for improvement.

Sustainability Key Performance Indicators (“KPIs”)

Material Matters	KPIs	Performance/Progress	
Good Governance			
Corporate Governance and Anti-Corruption	Zero reported incidents of anti-bribery and anti-corruption annually.	Zero reported incidents of anti-bribery and anti-corruption in FY2024.	
	Zero unresolved reported grievances or whistle-blowing complaints to the Group annually.	Zero unresolved reported grievances or whistle-blowing complaints to the Group in FY2024.	
Environmental Stewardship			
Energy, Emissions and Climate Resilience	To establish a baseline year for GHG emissions by FY2025 .	Continue tracking and monitoring of GHG Emissions across the Group.	
Waste and Effluent Management	To achieve 100% scrap metal collected by licensed recyclers annually.	100% scrap metal collected by licensed recyclers in FY2024.	
	To achieve zero wastewater discharge annually.	Zero wastewater discharge in FY2024.	
Social Responsibility			
Occupational Health and Safety	To achieve zero lost time injuries per 200,000 hours of work annually.	30% decrease in lost time injury rate, from 1.92 (FY2023) to 1.35 (FY2024).	
	To ensure at least 60% of workers receive safety and health training annually.	At least 26% of workers receive safety and health training in FY2024.	
Labour Practices and Standards	Provide an average of 10 training hours per employee for 50% of our local workers annually.	An average of 13 training hours per employee for 50% of our local workers.	
	Zero substantiated complaints of human rights violations annually.	Zero substantiated complaints of human rights violations in FY2024.	

 Achieved for FY2024

 In-Progress

CLIMATE-RELATED DISCLOSURES

Leform acknowledges the importance of addressing climate-related risks and opportunities. The Group is actively working to understand and mitigate climate change impacts on our operations and the broader value chain.

We are aligning our transition strategy to a low-carbon future, demonstrating our dedication to adapting to evolving challenges, enhancing resilience and driving sustainable growth.

Governance

Leform has established a governance structure to oversee our sustainability efforts, ensuring alignment with strategic priorities and regulatory requirements.

- The Board provides strategic oversight over the Group's sustainability strategies, policies and performance, including climate-related initiatives and convenes quarterly.
- The Sustainability Committee reviews and monitors the implementation of sustainability initiatives and performance, focusing on climate-related matters.

Strategy

As part of our low-carbon transition, we are committed to enhancing climate awareness, streamlining our strategic direction with the Group's Sustainability Policy and monitoring environmental impacts to address climate-related risks and opportunities. In FY2024, we continue tracking our Scope 1, 2 and 3 GHG emissions, aligning climate-related disclosures with regulations and established climate-related KPIs.

Management of Material Sustainability Matters

Our climate-related material sustainability matters include energy consumption, GHG emissions, water consumption and waste management. We have outlined our management approach for these matters, with performance details featured within the "Energy, Emissions and Climate Resilience" section.

Metrics and Targets

We have identified Energy, Emissions and Climate Resilience, and Waste and Effluent Management as the two most material climate-related matters impacting our business. To evaluate our performance in these areas, we track and disclose the following metrics.

Metric	Unit	Description
GHG Emissions	Tonnes of carbon dioxide equivalent ("tCO ₂ e")	Measures total greenhouse gas ("GHG") emissions, including Scope 1, Scope 2 and limited Scope 3 (business travel and employee commute) GHG emissions.
Energy Usage	Gigajoules ("GJ")	Tracks total fuel and electricity consumption.
Fuel Consumption	Litres ("L")	Measures the total amount of fuel used.
Electricity Consumption	Kilowatt-hours ("kWh")	Records the total electricity consumption.
Waste	Metric tonnes ("MT")	Quantifies the total amount of waste generated.
Water Usage	Megalitres ("ML")	Measures total water consumption.

To support our sustainability goals, we have established annual KPIs aimed at reducing emissions and waste generation. These KPIs enable performance monitoring and regular evaluations to ensure continuous improvement and effective management of climate-related risks and opportunities.

- Establish a baseline year by FY2025
- Set Scope 1 and Scope 2 GHG emissions targets by FY2025

Details of our management approach and performance data can be found within the "Energy, Emissions and Climate Resilience" section.



ECONOMIC GROWTH

In a rapidly changing business landscape, Leform remains dedicated to balancing sustainable growth with strong economic performance. Through effective strategies, we adapt to industry shifts while consistently delivering high-quality steel products that provide enduring value to our customers.

MATERIAL MATTERS

Economic Impact

Supply Chain Management

CONTRIBUTION TO UN SDGS



KEY STAKEHOLDER GROUPS



INVESTORS/
SHAREHOLDERS



SENIOR
MANAGEMENT TEAM



SUPPLIERS
AND VENDORS



EMPLOYEES



LOCAL
COMMUNITIES

ECONOMIC GROWTH

ECONOMIC IMPACT

Robust economic performance is essential for long-term sustainability, enabling us to allocate resources effectively and invest in innovative clean technologies and renewable energy. Guided by a well-defined business strategy, we seek to achieve and maintain excellence in economic performance.

Leform's Business Strategy

Staying
attuned
to market
trends

Maintaining
a strong
balance sheet
and healthy
cash flow

Embracing
technological
advancements

Mitigating
Risks

Pursuing
strategic
market
expansion

The Group's economic performance for FY2024.



ECONOMIC GROWTH

SUPPLY CHAIN MANAGEMENT

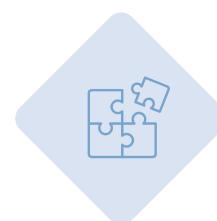
Leform emphasises responsible sourcing, resource efficiency and compliance with regulatory standards to support a sustainable and resilient supply chain. By engaging local suppliers, we contribute to the economic growth within our community, create opportunities for local businesses and enhance our ability to respond swiftly to market demands, while maintaining operational efficiency. Rigorous sourcing and procurement criteria ensure that our supply chain meets the highest standards of quality, efficiency and sustainability.



Reasonable pricing



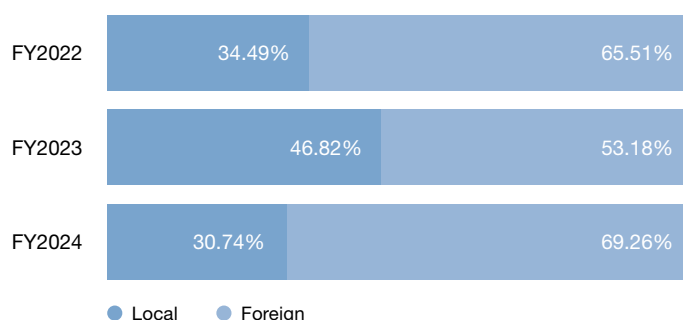
Alignment with
current requirements
or standards



Reliable quality of
materials and services

Our supplier selection and evaluation process align with ISO standards and is guided by our Sustainability Policy. This evaluation ensures that our suppliers are competitive, reliable and cost-effective, enabling us to deliver exceptional products while meeting our sustainability commitments.

Proportion of Spending on Suppliers



In FY2024, Leform sourced 31% of our materials from local suppliers and 69% from international suppliers.



GOOD GOVERNANCE

The Group is committed to upholding the highest standards of corporate governance, prioritising integrity and accountability. Our robust anti-corruption measures and ethical business practices cultivate a culture of trust, creating long-term value for our stakeholders and supporting the sustainability of our business.

MATERIAL MATTERS

Corporate Governance and Anti-Corruption

Data Privacy and Cybersecurity

CONTRIBUTION TO UN SDGs



KEY STAKEHOLDER GROUPS



GOVERNMENT AND REGULATORY AUTHORITIES



EMPLOYEES



CUSTOMERS



SUPPLIERS AND VENDORS

GOOD GOVERNANCE

CORPORATE GOVERNANCE AND ANTI-CORRUPTION

Corporate Governance

Leform recognises that strong corporate governance is crucial for ensuring responsible operations. By establishing robust governance frameworks and clear oversight structures, we promote accountability and ethical decision-making, safeguarding stakeholder interests, mitigating operational risks and achieving corporate objectives. This proactive approach enhances our compliance with industry standards, driving long-term sustainable growth.

In line with the Malaysian Code on Corporate Governance (“MCCG”) principles, Leform places a strong emphasis on corporate governance to uphold exemplary business conduct across our operations. These values are reinforced through the establishment of several policies.

Leform Governance Policies

Board
Charter

Director’s Fit
and Proper
Policy

Code of Ethics
and Conduct

Conflict
of Interest
Policy

Related Party
Transaction
Policy and
Procedures

All policies are accessible to employees, suppliers and vendors through the Group’s corporate website, ensuring transparent communication with all stakeholders.

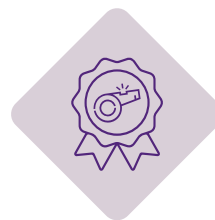
Anti-Corruption and Anti-Bribery

Leform enforces strict anti-bribery and anti-corruption measures in compliance with the Malaysian Anti-Corruption Commission (“MACC”) Amendment Act 2018. Our policies are designed to prevent misconduct and ensure full compliance with ethical standards.

In line with the MACC Amendment Act 2018, the Board periodically reviews and updates the Anti-Bribery and Anti-Corruption (“ABAC”) Policy to ensure continuous alignment with regulatory requirements.



Anti-Bribery and Anti-Corruption
Policy



Whistle Blowing
Policy

In FY2024, we provided anti-corruption training to employees at all levels across our operations. A total of 39% of our full-time workforce completed the training, promoting a culture of integrity and ethical behaviour throughout the organisation.

GOOD GOVERNANCE

CORPORATE GOVERNANCE AND ANTI-CORRUPTION (CONT'D)

Anti-Corruption and Anti-Bribery (Cont'd)

Percentage of Employees Received Training on Anti-Bribery and Anti-Corruption	
Financial Year	FY2024
Managerial and Professional Executives	37.14%
Executives	53.85%
Non-Executives	34.43%

With our anti-corruption policy and training programmes in place, we successfully maintained zero substantiated cases of corruption and whistleblowing over the past two financial years. Although a corruption risk assessment was not conducted this year, these assessments will be implemented across all operations in the future.

DATA PRIVACY AND CYBERSECURITY

Safeguarding our intellectual assets is crucial in an era of rapid technological advancement. As businesses increasingly rely on interconnected systems and cyber threats grow more sophisticated, robust cybersecurity measures are essential to protect sensitive information and mitigate risks from cyberattacks and fraud.

We ensure strict compliance with the Personal Data Protection Act ("PDPA") 2010 and the Personal Data Protection Regulations ("PDPR") 2013. All data is collected lawfully with the necessary consent, ensuring full transparency in how information is gathered, used and documented in our interactions with stakeholders.

In FY2024, there were zero substantiated complaints concerning breaches of customer privacy and loses of customer data, maintaining the positive trend from FY2023.

Financial Year	FY2023	FY2024
Substantiated Complaints Concerning Breaches of Customer Privacy and Loses of Customer Data	0	0



ENVIRONMENTAL STEWARDSHIP

At Leform, we are committed to reducing our environmental impact through responsible resource management, including energy, water and waste. We focus on enhancing our climate resilience and reducing emissions, ensuring that our operations contribute positively to the environment and support long-term sustainability.

MATERIAL MATTERS

Energy, Emissions and Climate Resilience

Water Consumption

Waste and Effluent Management

CONTRIBUTION TO UN SDGs



KEY STAKEHOLDER GROUPS

INVESTORS/
SHAREHOLDERS

GOVERNMENT AND
REGULATORY AUTHORITIES

EMPLOYEES

LOCAL
COMMUNITIES

ENVIRONMENTAL STEWARDSHIP

ENERGY, EMISSIONS AND CLIMATE RESILIENCE

Energy consumption and greenhouse gas (“GHG”) emissions are key considerations for Leform as a steel manufacturer and trader. Effectively managing our energy use and emissions directly impacts our operational efficiency and environmental footprint, supporting our broader commitment to environmental sustainability and climate change mitigation within the steel industry.

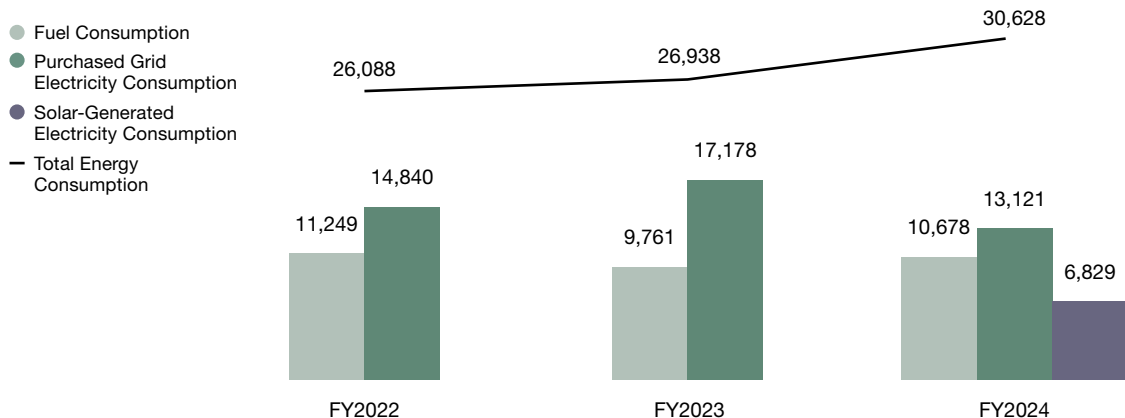
In line with industry best practices and international standards, we are actively pursuing decarbonisation and continuously monitoring our Scope 1, 2, and 3 GHG emissions to track progress. In February 2024, we completed and commissioned a solar panel system on the rooftop of our existing factory, marking a significant step in reducing our carbon footprint.

Energy Consumption

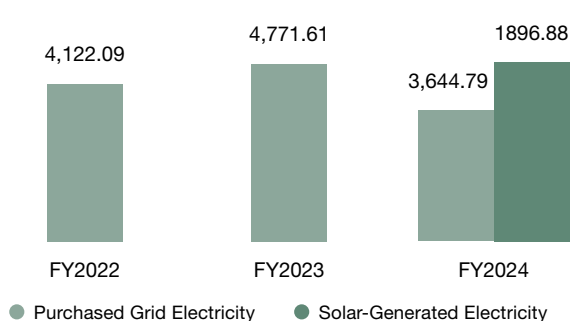
At Leform, electricity accounts for 65% of our total energy consumption, primarily from our facilities, factories and employee accommodations. Diesel and petrol contribute 30% and 5%, respectively, to our overall energy consumption.

In FY2024, our total energy consumption amounted to 30,628 Gigajoules (“GJ”), with an energy intensity of 0.150 GJ/RM’000. The total energy consumption includes 10,678 GJ from fuel, 13,121 GJ from purchased electricity and 6,829 GJ from solar-generated electricity. Notably, we experienced a 60% increase in energy intensity compared to FY2023, primarily due to increased production activities to meet higher sales volumes.

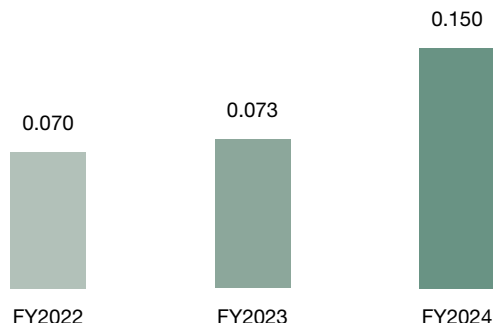
Total Energy Consumption (GJ)



Electricity Consumption (MWh)



Total Energy Intensity (GJ/RM’000)



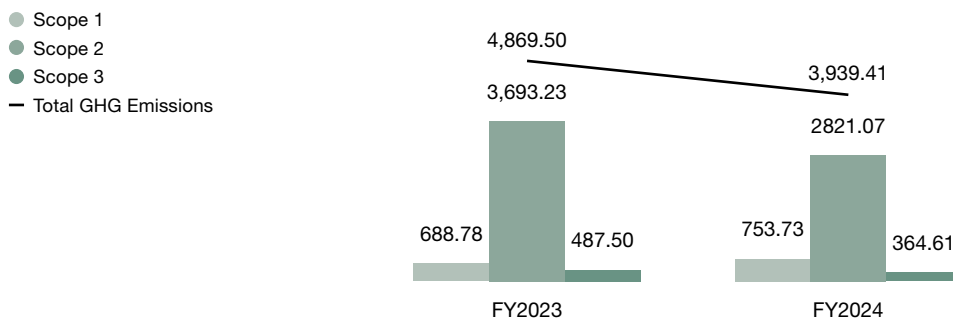
ENVIRONMENTAL STEWARDSHIP

ENERGY, EMISSIONS AND CLIMATE RESILIENCE (CONT'D)

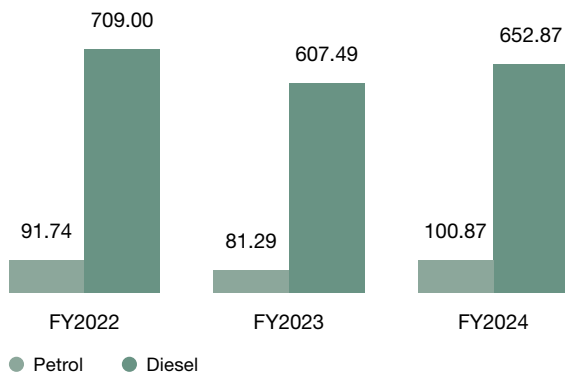
Total GHG Emissions

In the year under review, the Group reported a total of 3,939 tCO₂e in GHG emissions, with 19% from Scope 1, 72% from Scope 2 and 9% from Scope 3.

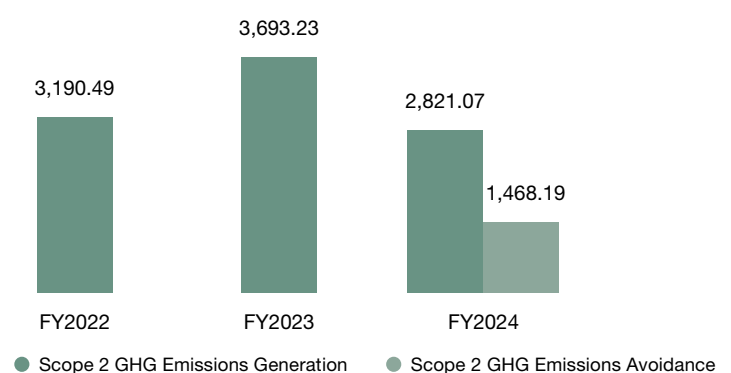
Breakdown of GHG Emissions (tCO₂e)



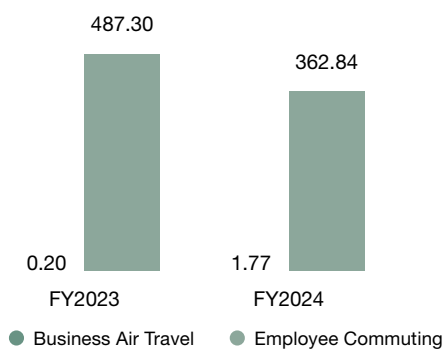
Scope 1 GHG Emissions (tCO₂e)



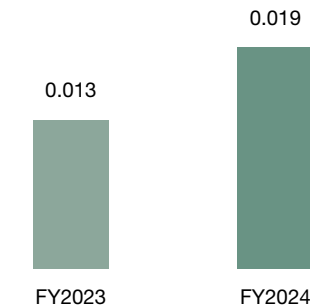
Scope 2 GHG Emissions (tCO₂e)



Scope 3 GHG Emissions (tCO₂e)



GHG Intensity (tCO₂e/RM'000)



Notes:

¹ Scope 1 GHG emissions are direct emissions from owned or controlled sources

² Scope 2 GHG emissions are indirect emissions from the generation of purchased electricity

³ Scope 3 GHG emissions are indirect GHG emissions that occur in the value chain but are not directly owned or controlled by the company

ENVIRONMENTAL STEWARDSHIP

ENERGY, EMISSIONS AND CLIMATE RESILIENCE (CONT'D)

Scope 1 GHG Emissions

Scope 1 GHG emissions from petrol and diesel use in company-owned vehicles, employee commuting and operating manufacturing machinery, amounted to 754 tCO₂e in FY2024. This represents a 10% increase compared to FY2023, primarily driven by expanded sales activities and increased business travel.

Note: Scope 1 GHG emissions were calculated using emission factors from the UK Government GHG Conversion Factors for Company Reporting 2022, 2023 and 2024.

Scope 2 GHG Emissions

Scope 2 GHG emissions from electricity consumption across our facilities, factories, and employee accommodations totalled 2,821 tCO₂e in FY2024, a 24% decrease from FY2023. This significant decrease was primarily driven by the installation of rooftop solar panels during the year, which generated 1,896,881 kWh of solar electricity and resulted in the avoidance of approximately 1,468 tCO₂e in Scope 2 emissions.

Note: Scope 2 GHG emissions were calculated using the grid emission factors (2022) provided by the Energy Commission in Malaysia.

Scope 3 GHG Emissions

Scope 3 GHG emissions, from employee commuting and business air travel, amounted to 501.1 tCO₂e in FY2024, a 16% decrease from FY2023.

Note: Scope 3 GHG emissions were calculated using emission factors from the UK Government GHG Conversion Factors for Company Reporting 2023 and 2024

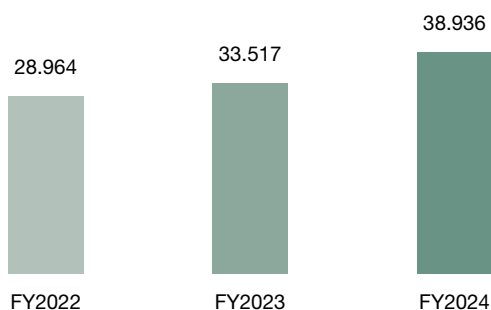
WATER CONSUMPTION

Water is vital to our steel manufacturing processes, especially for processing, cooling and sanitation. Regular monitoring helps assess water efficiency, identify improvements and minimise our operations' impact on local water resources.

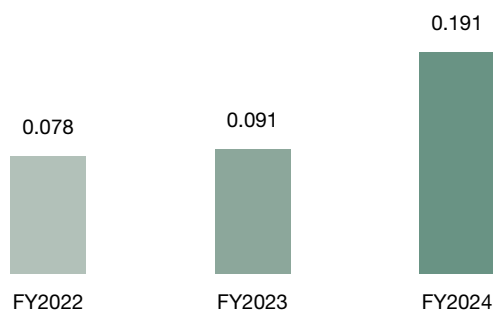
We have implemented an efficient closed-loop water system that recycles water, significantly reducing water consumption and eliminating wastewater discharge. This supports our resource conservation and environmental stewardship goals.

In FY2024, we consumed 39 ML of water across our operations and facilities, reflecting a 16% increase compared to FY2023 due to the increase in production activities to meet increased sales demand.

Total Water Consumption (Megalitres)



Water Intensity (m³/RM'000)

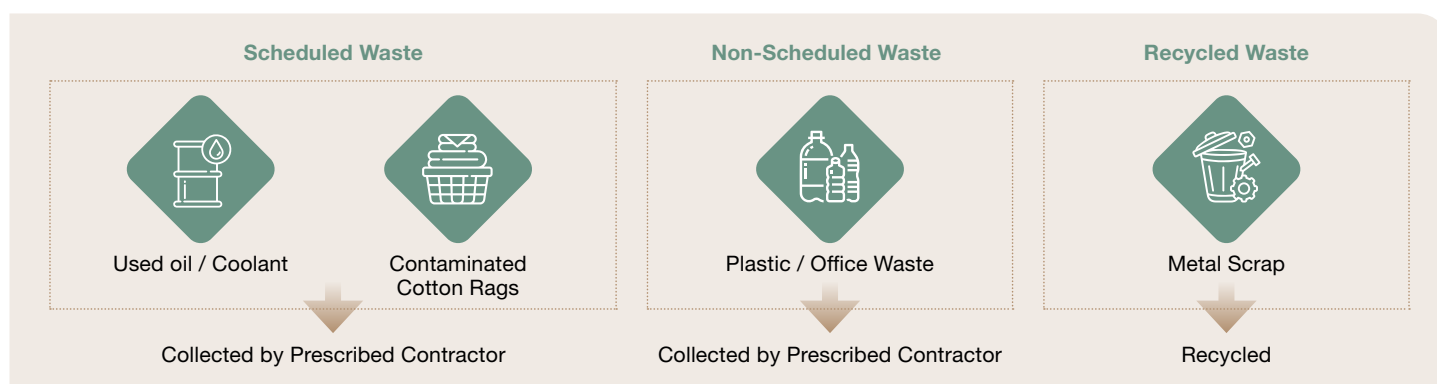


ENVIRONMENTAL STEWARDSHIP

WASTE AND EFFLUENT MANAGEMENT

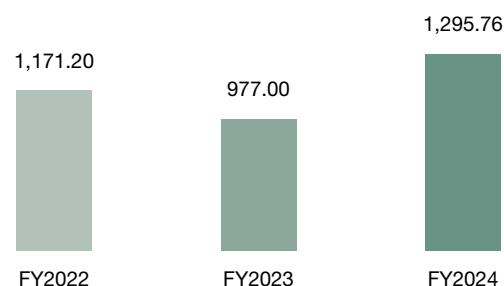
Effective waste and effluent management are essential for environmental sustainability at Leform. Our initiatives optimise resource use, minimise environmental impact and reduce contamination risks. Beyond regulatory compliance, responsible waste management strengthens our corporate responsibility as a steel manufacturer, fostering stakeholder trust and enhancing our public image.

Our operational waste is categorised into three types: scheduled waste, non-scheduled waste and recycled waste. Scheduled waste is collected by authorised contractors in compliance with Department of Environment (“DOE”) regulations. Non-scheduled waste, primarily plastics and office waste, is typically sent to landfills. Metal scraps, a significant by-product, are reintegrated into production processes due to steel’s recyclability. The Group strictly adheres to the Environmental Quality Act of 1974 and the Scheduled Waste Management Regulations 2005, as mandated by the DOE.

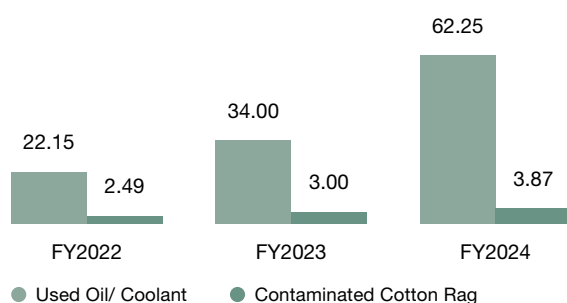


During the reporting year, we generated a total of 1,551 tonnes of waste, comprising 66 tonnes of scheduled waste, 189 tonnes of non-scheduled waste and 1,296 tonnes from recyclable metal scrap waste. This represents a 79% increase in scheduled waste generation compared to FY2023, alongside a 45% rise in non-scheduled waste. Additionally, 1,296 tonnes of steel were successfully recycled during FY2024, contributing to the circular economy.

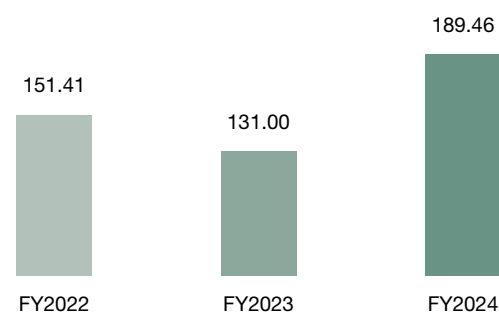
Metal Scraps (tonnes)



Scheduled Waste (tonnes)



Non-Scheduled Waste (tonnes)





SOCIAL RESPONSIBILITY

The Group promotes sustainability practices that support our people, products and communities. We uphold strong labour practices, ensure the quality and reliability of our products, and prioritise the health and safety of our employees. Our commitment to diversity and inclusion fosters a collaborative work environment, while our community initiatives create lasting positive social impacts.

MATERIAL MATTERS

Labour Practices and Standard

Diversity and Inclusion

Product Quality and Reliability

Community Enrichment

Occupational Health and Safety

CONTRIBUTION TO UN SDGS



KEY STAKEHOLDER GROUPS



INVESTORS/
SHAREHOLDERS



GOVERNMENT AND
REGULATORY AUTHORITIES



CUSTOMERS



EMPLOYEES



LOCAL
COMMUNITIES

SOCIAL RESPONSIBILITY

OCCUPATIONAL HEALTH AND SAFETY

Health and Safety Governance

The steelmaking process involves hazardous processes, with workers operating near intense heat, machinery and toxic emissions. Strict safety measures are crucial to protect our workforce, prevent work disruptions and enhance productivity. A safe working environment also supports talent retention, strengthening Leform's resilience and operational success.

To ensure compliance with health and safety regulations, Leform has established a Safety Committee dedicated to protecting all within our operations.



Adherence to Health and Safety Standards

We remain guided by the regulations, guidelines and codes of practice set by the Department of Occupational Safety and Health ("DOSH"), ensuring the implementation of robust Occupational Health and Safety ("OHS") practices and initiatives throughout the year.

Health and Safety ("HSE") Practices

HIRARC Assessment

- A Hazard Identification, Risk Assessment and Risk Control ("HIRARC") was last conducted in 2023, and shall be re-assessed every 3 years, allowing us to systematically identify potential hazards, assess associated risks and implement control measures to ensure the safety of our workforce.

Collaboration with DOSH

- Leform collaborated with DOSH to conduct emissions monitoring and develop a phased plan of internal initiatives aimed at improving our environmental performance.

HSE Engagement

- Conducted safety briefings when necessary
- Organised four engagement sessions with employees to identify potential safety risks and develop management strategies in line with OSHA guidelines.

Auditing OSHA Compliance

- Conducted internal audits in accordance with Occupational Safety and Health Workplace Assessment ("OSHA") standards to ensure compliance and foster continuous improvement in safety practices.

SOCIAL RESPONSIBILITY

OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

Health and Safety Performance

In FY2024, our workforce accumulated a total of 718,203 hours, during which we recorded a lost-time injury rate ("LTIR") of 1.39 across our operations. We remain dedicated to cultivating a workplace that prioritises the health, safety and well-being of our most valuable asset – our people.

OHS Performance	FY2023	FY2024
Total number of hours worked	626,306	718,203
Number of fatalities as a result of work-related injury	0	0
Number of recordable work-related injuries	6	5
Number of fatalities as a result of work-related ill health	0	0
Number of cases of recordable work-related ill health	0	0
Lost time injury rate (LTIR)	1.92	1.39

Note: LTIR was calculated based on the Bursa Malaysia Sustainability Reporting Guide for 200,000 hours worked.

Additionally, a total of 139 participants completed health and safety training in FY2024.



Machine Safety & Line of Fire ("LOF")
Safety Briefing and Refresher on Machine Safety



Hearing Conservation Programme ("HCP")
Annual Audiometric Testing

LABOUR PRACTICES AND STANDARDS

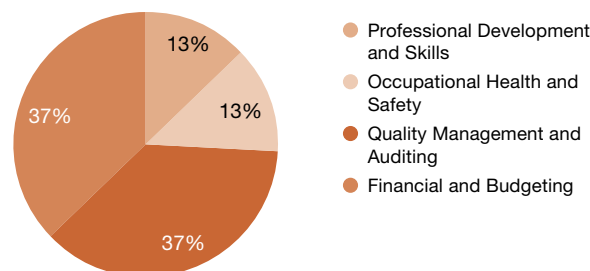
Ethical labour practices and standards are essential for fostering a respectful workplace culture that upholds equal opportunities and dignity for all employees. At Leform, we are committed to safeguarding fundamental human rights and ensuring fair treatment in line with our social responsibility commitments. We strictly adhere to all relevant laws and regulations, ensuring fair treatment, competitive compensation and a safe working environment for employees.

Employee Development

Leform invests annually in training programmes to enhance technical skills, health and safety knowledge and soft skills, fostering employee growth and development. In FY2024, we provided training in areas such as supervisory and leadership skills, health and safety, quality management and auditing, among others.

These initiatives amounted to a total of 1,084 hours of training, benefitting 83 employees.

Types of Training Programmes

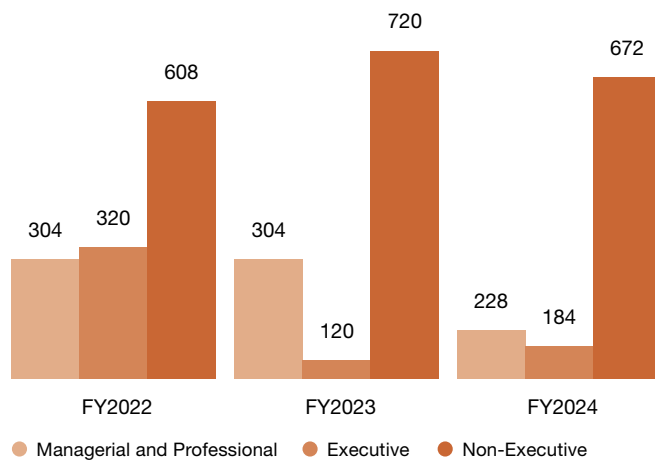


SOCIAL RESPONSIBILITY

LABOUR PRACTICES AND STANDARDS (CONT'D)

Human Rights Performance

Total Training Hours by Employee Category



Average Hours of Training Provided to Each Employee Category



0 Reported cases concerning human rights

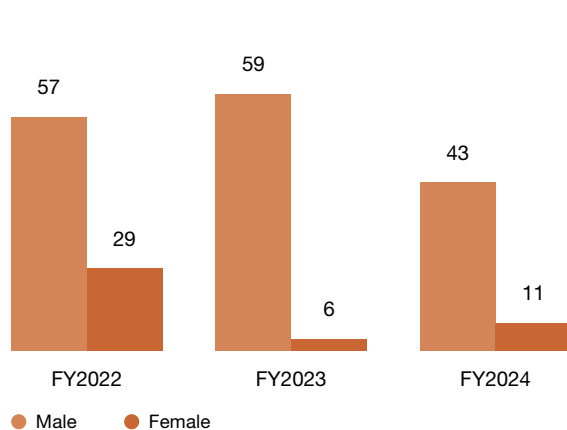


0 Reported incidents of discrimination

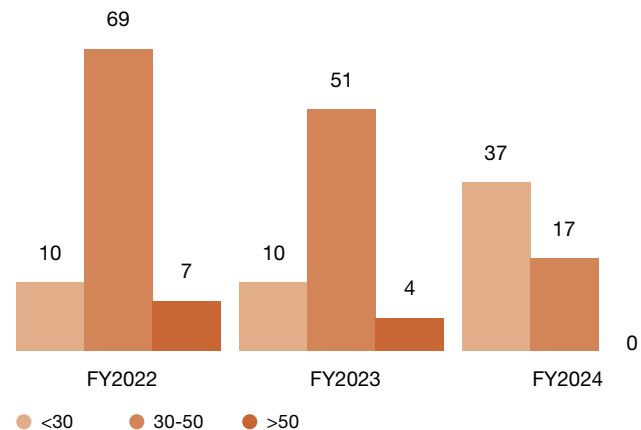
Employee Recruitment

Our workforce in FY2024 comprised 218 individuals, with 37% permanent and 63% contract or temporary workers. During the reporting year, the Group welcomed 54 new employees, 80% of whom were men, with 68% under the age of 30. Employee turnover for the year totalled 30, with 70% men and 84% non-executives.

New Hires by Gender



New Hires by Age

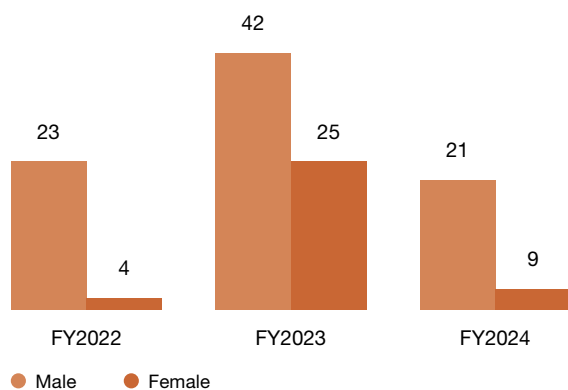


SOCIAL RESPONSIBILITY

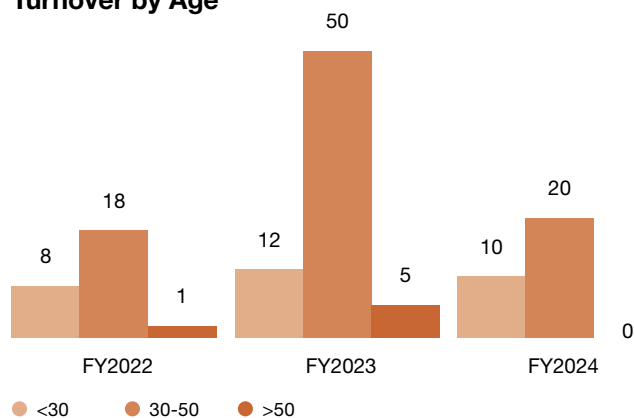
LABOUR PRACTICES AND STANDARDS (CONT'D)

Employee Recruitment (Cont'd)

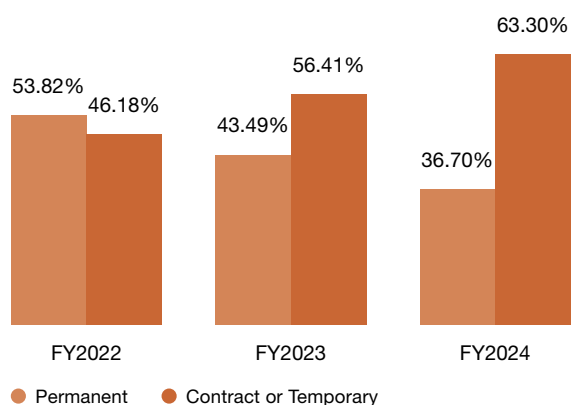
Turnover by Gender



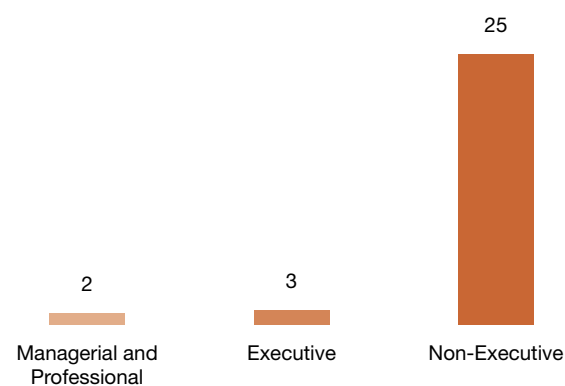
Turnover by Age



Employee Demographic by Employment Status



Turnover by Employee Category



Employee Benefits

At Leform, we provide our employees a comprehensive benefits package, including healthcare coverage and accommodations with essential amenities.

Leform's Employee Benefits

Leave Entitlement

Healthcare Benefits

Free Accommodation (Local and Foreign Workers)

Disability & Invalidity Coverage (SOC SO)

Retirement Provision (KWSP)

Parental Leave

SOCIAL RESPONSIBILITY

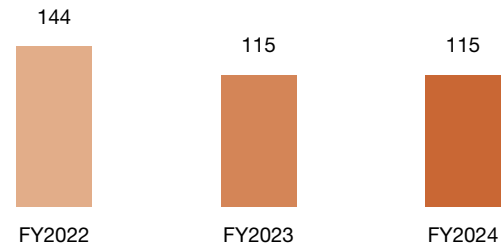
LABOUR PRACTICES AND STANDARDS (CONT'D)

Employee Benefits (Cont'd)

In FY2024, only one (1) female employee utilised parental leave across the Group, achieving a 100% return-to-work rate.

Additionally, 115 employees underwent performance evaluations to review their progress and development.

Number of Employees who Received Performance Appraisal



DIVERSITY AND INCLUSION

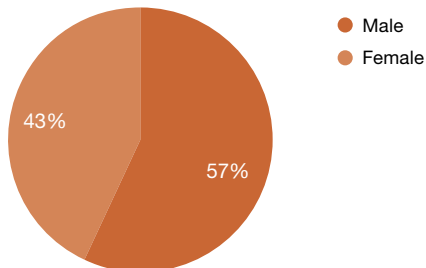
Leform strives to cultivate an inclusive workplace, recognising diversity as a driver of innovation and sustainable growth. By embracing diversity, we create a vibrant culture that values individuals, supports professional development and offers opportunities for meaningful contributions.

In 2022, we introduced our Diversity Policy, reinforcing our commitment to equal opportunity and fair treatment. Guided by this policy, hiring and career advancement decisions are based solely on merit, free from discrimination based on age, race or gender. We actively promote diversity, ensuring every individual is valued, respected and empowered to thrive.

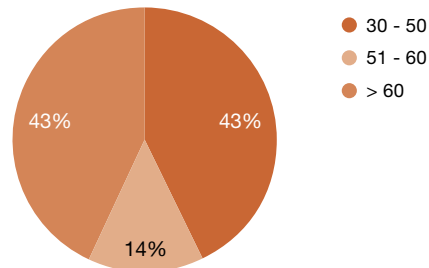
Board Diversity

Leform's Board of Directors comprises seven (7) members, with women accounting for 43% of the Board – exceeding the national target of 30% female representation set by the Malaysian Code on Corporate Governance ("MCCG").

Percentage of Directors by Gender



Percentage of Directors by Age



Employee Diversity

Our workforce primarily consists of non-executive roles (78%), followed by managerial and professional roles (11%) and executive positions (11%). Reflecting the nature of the steel manufacturing industry, 83% of our employees are male, with 84% aged between 30-50.

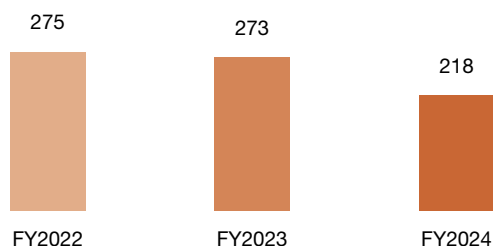
SOCIAL RESPONSIBILITY

DIVERSITY AND INCLUSION (CONT'D)

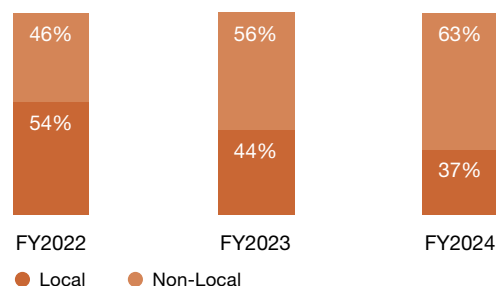
Employee Diversity (Cont'd)

Local employees represent 37% of our total workforce, while non-local employees account for 63%, bringing valuable expertise and skills to our operations. Recognising the importance of local employment, we are committed to increasing the proportion of local employees as part of our long-term strategy, aiming to foster community engagement and support regional economic development.

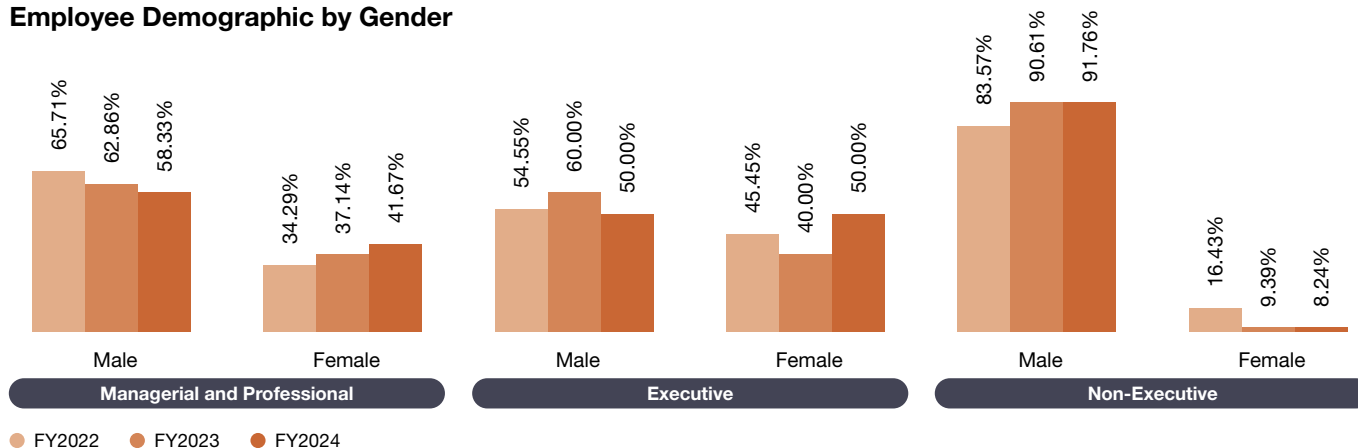
Total Number of Employees



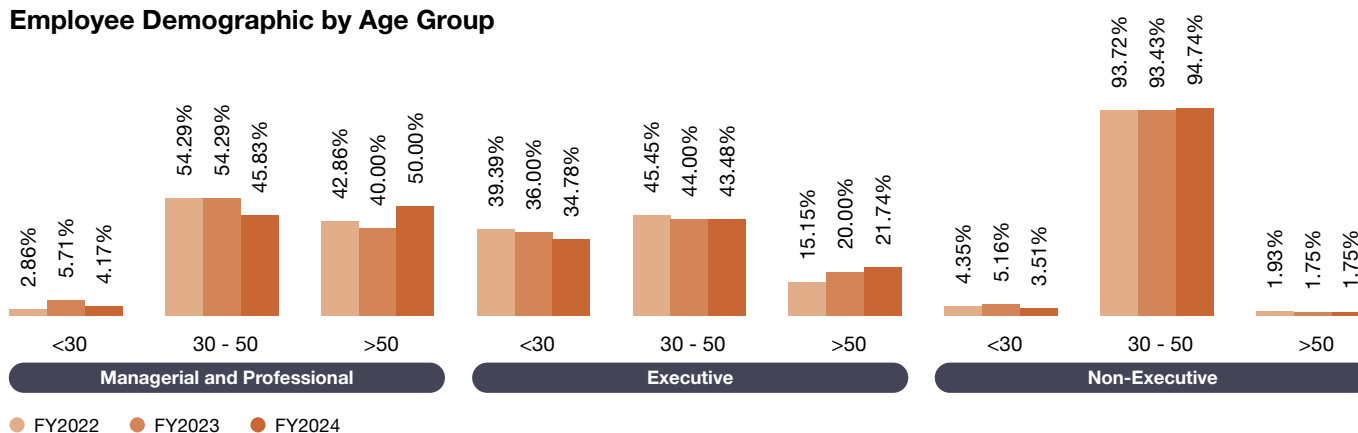
Employee Demographic by Nationality



Employee Demographic by Gender



Employee Demographic by Age Group



SOCIAL RESPONSIBILITY

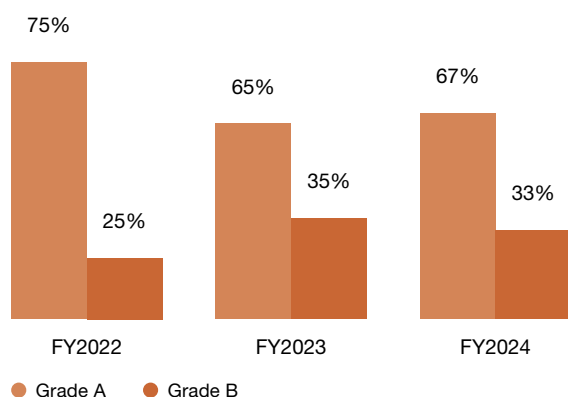
PRODUCT QUALITY AND RELIABILITY

Leform's products serve a diverse range of sectors, including furniture, construction and automobile component manufacturing. Recognising the critical role of steel in ensuring structural integrity and safety, we are committed to delivering high-quality products and maintaining our reputation as a trusted supplier across industries.

Our steel products meet stringent Japanese Industrial Standards ("JIS"), and we are proud to hold ISO 9001:2015 certification from TUV Nord Cert GmbH. Additionally, we hold a Construction Industry Development Board ("CIDB") licence. To ensure our products meet customer expectations, we conduct annual surveys to gather feedback, driving continuous improvement and enhancing our offerings.

Products	Certifications & Licences
Steel Pipes, Hollow Sections	ISO 9001:2015 & CIDB
Steel Pipes OD 42.7mm x T2.50mm	CIDB
Steel Pipes OD 27.2mm x T2.00mm	CIDB
Steel Pipes OD 21.7mm x T2.00mm	CIDB
Steel Pipes OD 48.6mm x T2.50mm	CIDB
Highway Guardrails	CIDB

Customer Ratings Distribution (Grade A & B) from Satisfaction Survey



In the year under review, our annual customer satisfaction survey revealed that 67% of respondents consistently rated our products as Grade A.

COMMUNITY ENRICHMENT

Leform firmly believes that corporate social responsibility ("CSR") is integral to building meaningful relationships with local communities. By investing in social initiatives, we aim to support communities, uplift vulnerable groups and promote greater social equity. Strengthening these bonds not only benefits the communities we serve but also enhances our social licence to operate.

In FY2024, Leform actively engaged in various community-oriented initiatives, including sponsorships, donations, and contributions to local programmes. These efforts reflect our ongoing dedication to giving back to society and supporting the well-being of the communities around us.

SOCIAL RESPONSIBILITY

COMMUNITY ENRICHMENT (CONT'D)

Throughout the year, we provided monetary and non-monetary contributions totalling RM26,800 to nine organisations, supporting festive celebrations, annual gatherings, development programmes, and charitable causes.

Summary of FY2024 Community Contributions

No	Community Programmes	Beneficiaries/Recipient	Amount (RM)
1	Sponsorship for Chinese New Year Celebration 2024	MISIF Charity Fund	10,000
2	Sponsorship for Annual Lunch 2024	Machmar Industries	1,000
3	Sponsorship for Annual Dinner 2024	MSM Group	1,000
4	Contribution for E-Sports Development	Hulu Selangor District Police Headquarters	500
5	Donation for 85 th Anniversary Celebration	Perak Chinese Hardware Dealers Association (Ibu Pejabat Polis Daerah Hulu Selangor)	1,000
6	Donation for 69 th Anniversary Celebration	Sabah Builders Association (Persatuan Pembina Sabah)	1,200
7	Contribution for Koperasi Annual General Meeting	Hulu Selangor District Council (Majlis Daerah Hulu Selangor)	500
8	General Donation	Customs Officers Union of Peninsular Malaysia (Kesatuan Pegawai Kastam Semenanjung Malaysia)	600
9	Sponsorship for Annual Dinner Gathering	Sinkong Construction	1,000
10	Sponsorship for Chinese New Year Celebration 2025	MISIF Charity Fund	10,000
Total			26,800

BUILDING A SUSTAINABLE FUTURE

In conclusion, Leform's commitment to sustainability goes beyond fulfilling corporate responsibility – it represents a steadfast pledge to drive meaningful change. We are dedicated to embedding sustainable practices into every aspect of our operations, ensuring our business remains resilient and poised for future growth. By embracing these principles, we are building a solid foundation for long-term success while contributing to a sustainable future for all stakeholders.



PERFORMANCE DATA TABLE

GOVERNANCE

Indicator	Unit	FY2022	FY2023	FY2024
Anti-Corruption				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
• Senior Management	%	-	-	-
• Management	%	-	-	37.14
• Executive	%	-	-	53.85
• Non-Executive	%	-	-	34.43
Bursa C1(b) Percentage of operations assessed for corruption related risks	%	-	-	-
Bursa C1(c) Confirmed incidents of corruption and actions taken	Number	0	0	0
Data Privacy and Security				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	0
Supply Chain Management				
Bursa C7(a) Proportion of spending on local suppliers	%	34.49	46.82	30.74

ENVIRONMENT

Indicator	Unit	FY2022	FY2023	FY2024
Energy, Emissions and Climate Resilience				
Bursa C4(a) Total energy consumption	GJ	26,088	26,938	30,628
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	800.74	688.78	753.73
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	3,190.49	3,693.23	2,821.07
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (business travel and employee commuting)	tCO ₂ e	-	487.50	364.61
Waste and Effluent Management				
Bursa C10(a) Total waste generated	Metric tonnes	1,347.25	1,145.00	1,551.34
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	1,171.20	977.00	1,295.76
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	176.05	168.00	255.58
Bursa S8(a) Total volume of water (effluent) discharge over the reporting period	L	0	0	0
Water Consumption				
Bursa C9(a) Total volume of water used	ML	28.964	33.517	38.936

PERFORMANCE DATA TABLE

SOCIAL

Indicator	Unit	FY2022	FY2023	FY2024
Occupational Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	-	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	-	1.92	1.39
Bursa C5(c) Number of employees (crews) trained on health and safety standards	Number	-	100	139
Human Rights, Labour Practices and Standards				
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0
Talent Attraction and Development				
Bursa C6(a) Total hours of training by employee category				
• Managerial and Professional	Hours	304	304	228
• Executive	Hours	320	120	184
• Non-Executive	Hours	608	720	672
Bursa C6(c) Total number of employee turnover by employee category				
• Managerial and Professional	Number	-	2	2
• Executive	Number	-	3	3
• Non-Executive	Number	-	62	25
Diversity and Inclusion				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Gender group by employee category				
• Managerial and Professional (Men)	%	65.71	62.86	58.33
• Managerial and Professional (Women)	%	34.29	37.14	41.67
• Executive (Men)	%	54.55	60.00	50.00
• Executive (Women)	%	45.45	40.00	50.00
• Non-Executive (Men)	%	83.57	90.61	91.76
• Non-Executive (Women)	%	16.43	9.39	8.24
Age group by employee category				
• Managerial and Professional (<30)	%	2.86	5.71	4.17
• Managerial and Professional (30-50)	%	54.29	54.29	45.83
• Managerial and Professional (>50)	%	42.86	40.00	50.00
• Executive (<30)	%	39.39	36.00	34.78
• Executive (30-50)	%	45.45	44.00	43.48
• Executive (>50)	%	15.15	20.00	21.74
• Non-Executive (<30)	%	4.35	5.16	3.51
• Non-Executive (30-50)	%	93.72	93.43	94.74
• Non-Executive (>50)	%	1.93	1.41	1.75

PERFORMANCE DATA TABLE

GOVERNANCE

Indicator	Unit	FY2022	FY2023	FY2024
Bursa C3(b) Percentage of directors by gender and age				
Men	%	57.14	57.14	57.14
Women	%	42.86	42.86	42.86
30-50	%	42.86	42.86	42.86
51-60	%	14.29	14.29	14.29
>60	%	42.86	42.86	42.86
Bursa C6(b) Percentage of employees that are contractors or temporary staff				
• Permanent	%	53.82	43.59	36.70
• Contract	%	46.18	56.41	63.30
Community Engagement				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	2,610.00	29,929.50	26,800.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1	9	9

GRI CONTENT INDEX




Statement of use	Leform Berhad has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

Gri Standard	Disclosure	Location (Page)
GRI 2: General Disclosures 2021	2-1 Organisational details	21
	2-2 Entities included in the organisation's sustainability reporting	21
	2-3 Reporting period, frequency and contact point	21
	2-6 Activities, value chain and other business relationships	21
	2-7 Employees	49 - 52
	2-8 Workers who are not employees	49
	2-9 Governance structure and composition	24
	2-10 Nomination and selection of the highest governance body	24, 34, 39
	2-11 Chair of the highest governance body	24, 34
	2-12 Role of the highest governance body in overseeing the management of impacts	24, 34, 39
	2-13 Delegation of responsibility for managing impacts	24, 34, 39
	2-14 Role of the highest governance body in sustainability reporting	24, 34, 39
	2-16 Communication of critical concerns	39
	2-18 Evaluation of the performance of the highest governance body	39
	2-19 Remuneration policies	39
	2-20 Process to determine remuneration	39
	2-22 Statement on sustainable development strategy	21 - 23
	2-23 Policy commitments	39
	2-24 Embedding policy commitments	39
	2-26 Mechanisms for seeking advice and raising concerns	24, 39
	2-27 Compliance with laws and regulations	Throughout
	2-28 Membership associations	21
	2-29 Approach to stakeholder engagement	28 - 30
GRI 3: Material Topics 2021	3-1 Process to determine material topics	31 - 32
	3-2 List of material topics	32
	3-3 Management of material topics	Throughout
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	34
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	37
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	39
	205-2 Communication and training about anti-corruption policies and procedures	39
	205-3 Confirmed incidents of corruption and actions taken	39
GRI 301: Materials 2016	301-2 Recycled input materials used	45
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	42 - 44
	302-2 Energy consumption outside of the organisation	42 - 44
	302-4 Reduction of energy consumption	42

GRI CONTENT INDEX

Gri Standard	Disclosure	Location (Page)
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	44
	303-5 Water consumption	44
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	43, 44
	305-2 Energy indirect (Scope 2) GHG emissions	43, 44
	305-3 Other indirect (Scope 3) GHG emissions	43, 44
	305-5 Reduction of GHG emissions	42, 43
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	45
	306-2 Management of significant waste-related impacts	45
	306-3 Waste generated	45
	306-4 Waste diverted from disposal	45
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	49, 50
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	50
	401-3 Parental leave	50, 51
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	47, 48
	403-2 Hazard identification, risk assessment, and incident investigation	47
	403-3 Occupational health services	47, 48
	403-4 Worker participation, consultation, and communication on occupational health and safety	47, 48
	403-5 Worker training on occupational health and safety	48
	403-6 Promotion of worker health	47 - 48
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	47 - 48
	403-8 Workers covered by an occupational health and safety management system	48, 49
	403-9 Work-related injuries	48, 49
	403-10 Work-related ill health	48, 49
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	48, 49
	404-2 Programmes for upgrading employee skills and transition assistance programmes	48, 49
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	51, 52
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	53
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	40

BOARD OF DIRECTORS' PROFILE

 Age 72	 Nationality Malaysian	 Gender Male
Date of Appointment 6 December 2021		Directorship in Public Companies and Listed Corporations Edaran Pekemas Bhd
Membership of Board Committees None		

Datuk Seri Akhil Bin Bulat is our Independent Non-Executive Chairman.

He graduated from University Kebangsaan Malaysia with a Diploma in Police Science in 1998. He also graduated from University Malaya with a Diploma in Strategic Studies in 1993.

He worked with the Royal Malaysia Police for 38 years, since he began his career in 1977 as Sabah Research Staff Officer. Throughout the years, he worked across various branches in the Royal Malaysia Police. In 2015, he retired from his role as Director of Special Branches of the Royal Malaysia Police.

Datuk Seri Akhil Bin Bulat has attended all five (5) Board of Director's meetings Board of Directors' Meetings held during the financial year 2024.



**DATUK SERI AKHIL
BIN BULAT**

Independent Non-Executive Chairman

BOARD OF DIRECTORS' PROFILE



LAW KOK THYE
Managing Director

 Age 59	 Nationality Malaysian	 Gender Male
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Date of Appointment
17 January 2003

Directorship in Public Companies and Listed Corporations
None

Membership of Board Committees
None

Law Kok Thye is our Managing Director. He is responsible for the strategic direction and business development of our Group.




He completed his Sijil Tinggi Persekolahan Malaysia (STPM) at Sekolah Menengah Kebangsaan Mat Salleh, Sabah, in 1986.

He has over three decades of experience in the manufacturing and steel industries, having held key roles in companies such as Product Manufacturing Sdn Bhd, Bright Steel Sdn Bhd, Kanzen Kagu Sdn Bhd, and Prestar Steel Pipes Sdn Bhd. In 2001, he acquired equity in Leform Steel Pipes Sdn Bhd and later in Leform, assuming the position of Managing Director. Since then, he has been leading the strategic growth of our Group.

He is also a member of the Board of Directors for Tianwen Holdings Sdn Bhd.

Law Kok Thye has attended all five (5) Board of Directors' Meetings held during the financial year 2024.

BOARD OF DIRECTORS' PROFILE

 Age 50	 Nationality Malaysian	 Gender Female
Date of Appointment 6 December 2021		Directorship in Public Companies and Listed Corporations None
Membership of Board Committees None		

Esmariza Binti Ismail is our Non-Independent Executive Director and the Group's Human Resource Manager. She is responsible for handling our Group's administrative and human resource related activities.

She graduated from Universiti Teknologi MARA with a Bachelor of Accountancy in 1999.

She has extensive experience in accounting, administration, and human resources, having started her career with Fast Airfreight Forwarding (M) Sdn Bhd before joining our Group in 2002. She has since held various leadership roles, including Human Resource Manager for our Group and LF Engineering.

Esmariza Binti Ismail has attended all five (5) Board of Directors' Meetings held during the financial year 2024.



**ESMARIZA
BINTI ISMAIL**
Non-Independent Executive Director

BOARD OF DIRECTORS' PROFILE



LAW KAR HOU
Non-Independent Executive Director

 Age 25	 Nationality Malaysian	 Gender Male
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Date of Appointment
16 July 2024

Directorship in Public Companies and Listed Corporations
None

Membership of Board Committees
None

Law Kar Hou is our Non-Independent Executive Director and the Executive Assistant to Managing Director. He is responsible to support the Managing Directors leadership by assisting in strategic initiatives and coordinating administrative functions. Additionally, he holds the responsibilities in overseeing the production planning of Leform Berhad's manufacturing division.

He graduated from Brunel University London with a Bachelor of Science with second class (upper division) honours in Accountancy in 2022.

He completed an internship from 7 September 2022 to 6 December 2022, where he worked in the Operations Department of Penjana Kapital Sdn Bhd. His responsibilities included performing clerical tasks, managing day-to-day payments as well as the processing of capital calls, for the distribution of funds to investments. Additionally, he also served as an investment analyst, conducting comprehensive due diligence and deal assessments for new investment opportunities. Following the completion of his internship, he transitioned to Leform Berhad, assuming the role of Executive Assistant to the Managing Director.

Law Kar Hou has attended all two (2) Board of Directors' Meetings held during the financial year 2024.

BOARD OF DIRECTORS' PROFILE

 Age 45	 Nationality Malaysian	 Gender Female
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Date of Appointment
6 December 2021

Directorship in Public Companies and Listed Corporations
Metro Healthcare Berhad

Membership of Board Committees

- **Chairman of Audit and Risk Management Committee**
- **Member of Remuneration Committee**
- **Member of Nomination Committee**

Chua Leng Leek is our Independent Non-Executive Director.

She graduated from Tunku Abdul Rahman University College with an Advanced Diploma in Commerce (Financial Accounting) in 2002 and became a Chartered Accountant of the Malaysian Institute of Accountants in 2009. She is also a professional member of the Institute of Internal Auditors Malaysia.

With a strong background in finance, audit, and corporate governance, she has held key positions in various firms, including ITS Plus Synergy (M) Sdn Bhd and Pro Affluence Management (M) Sdn Bhd, where she currently serves as Director. She also holds a directorship in Metro Healthcare Berhad, a company listed on the ACE Market of Bursa Securities.

Chua Leng Leek has attended all five (5) Board of Directors' Meetings held during the financial year 2024.



CHUA LENG LEEK
 Independent Non-Executive Director

BOARD OF DIRECTORS' PROFILE



LAI CHIN YANG
Independent Non-Executive Director

 Age 72	 Nationality Malaysian	 Gender Male
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Date of Appointment
6 December 2021

Directorship in Public Companies and Listed Corporations
None

Membership of Board Committees

- **Chairman of Nomination Committee**
- **Member of Remuneration Committee**
- **Member of Audit and Risk Management Committee**

Lai Chin Yang is our Independent Non-Executive Director.

He graduated from the University of Malaya with a Bachelor of Science majoring in Physics in 1977 and obtained a Chartered Diploma in Marketing from the Chartered Institute of Marketing, United Kingdom, in 1992.

He has over 40 years of experience in sales, marketing, and management within the steel industry. He has held senior roles in companies such as Hume Industries Berhad, Franki Piling Sdn Bhd, PC Holdings Group, and the Steel Division of the Lion Group, where he retired as Marketing Director. During his tenure, he was responsible for the sales and marketing of long and flat steel products.

Lai Chin Yang has attended all five (5) Board of Directors' Meetings held during the financial year 2024.

BOARD OF DIRECTORS' PROFILE

 Age 44	 Nationality Malaysian	 Gender Female
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Date of Appointment
21 February 2022

Directorship in Public Companies and Listed Corporations
None

Membership of Board Committees

- **Chairman of Remuneration Committee**
- **Member of Audit and Risk Management Committee**
- **Member of Nomination Committee**

Lee Wee Leng is our Independent Non-Executive Director.

She graduated with a Bachelor of Business, majoring in Accounting and IT, from the University of Technology Sydney, Australia. She is a Fellow Member of CPA Australia and a member of the Malaysian Institute of Accountants.

She has over 20 years of experience in finance, auditing, and business performance analysis across industries such as manufacturing, trading, financial services, property development, and retail. She has held senior roles at companies including Yeng & Co., Deloitte, Barry Callebaut Malaysia, Fraser & Neave Holdings Berhad, AEON Group, and currently serves as the Head of Finance at The Coffee Bean & Tea Leaf (M) Sdn. Bhd.

Lee Wee Leng has attended all five (5) Board of Directors' Meetings held during the financial year 2024.

Additional Information for Board of Directors' Profile :

Family Relationship with any Director and/or Major Shareholder of the Company

Save for Law Kok Thye, the Managing Director, and Law Kar Hou, the Non-Independent Executive Director, who share a father-son relationship, none of the Directors have any family relationship with any of the Directors and/or Major Shareholders of the Company.

Conviction of Offence

None of the Directors have been convicted of any offence within the past 5 years other than traffic offences, if any nor any public sanction or penalty imposed by any relevant regulatory bodies during the financial year.

Conflict of Interest and Potential conflict of Interests

None of the Directors have any conflict of interest and potential conflict of interest with the Company.



LEE WEE LENG
Independent Non-Executive Director

KEY SENIOR MANAGEMENT'S PROFILE

HONG KA HOCK

General Manager



Age
61

Nationality
Malaysian

Gender
Male

Date of Appointment
19 November 2007

Hong Ka Hock is our General Manager. He is responsible for our Group's project development, monitoring, managing the setting-up of machineries, factory planning and related matters.

He graduated from Sekolah Menengah Kebangsaan Dato' Syed Omar, Kedah with a Sijil Tinggi Persekolahan Malaysia (STPM) certificate in 1984.

His career began in 1988 as a Quality Assurance Technician at Matsushita Refrigeration Industries (S) Pte Ltd, where he was later promoted to Supervisor. Over the years, he gained extensive experience in production management, quality control, and supply chain planning through key roles at Bright Steel Sdn Bhd, Prestar Storage System Sdn Bhd, and Deluxe Forum Sdn Bhd.

In 2007, he joined Leform as General Manager, bringing his expertise in operational efficiency, production oversight, and strategic project execution.

Hong Ka Hock does not have any family relationship with any of our Directors and/or major shareholders.

WONG KIAN NING

Chief Financial Officer



Age
37

Nationality
Malaysian

Gender
Male

Date of Appointment
1 November 2024

Wong Kian Ning is our Chief Financial Officer. He is in charge of handling all accounting and finance related matters for our Group.

He graduated with a Bachelor of Accounting from University Utara Malaysia. He is also a member of CPA Australia and the Malaysian Institute of Accountants.


He is an experienced finance professional with over 13 years in audit, accounting, and finance. He has held senior roles across diverse sectors, including a Big 4 accounting firm, multinational corporations, manufacturing, and renewable energy. His career also includes involvement with listed companies, reverse takeovers, and fundraising exercises.

Wong Kian Ning does not have any family relationship with any of our Directors and/or major shareholders.

KEY SENIOR MANAGEMENT'S PROFILE

LEE LI WAH
Plant Manager



 Age 45	 Nationality Malaysian	 Gender Female
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Date of Appointment
1 August 2014

Lee Li Wah is our Group's Plant Manager. She is in charge of overseeing the overall production, planning, quality assurance and quality control processes, quality management system as well as product development activities.

She graduated from Universiti Kebangsaan Malaysia with a Bachelor's Degree in Applied Physics in 2004.

Her career began as a Project Engineer at Wenhup Engineering Sdn Bhd, followed by roles in product development and production management at Sena Diecasting Industries Sdn Bhd, Prestar Precision Tube Sdn Bhd, and LF Metal Sdn Bhd.

She joined Leform in 2012 as a Personal Assistant (Sales & Planning) to the Managing Director, before being promoted to Plant Manager in 2014. In this role, she oversees all aspects of production operations, quality control, and new product initiatives.

Lee Li Wah does not have any family relationship with any of our Directors and/or major shareholders.

SURIAN A/L KRISHNAN
Senior Accounts Manager



 Age 53	 Nationality Malaysian	 Gender Male
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Date of Appointment
1 November 2016

Surian A/L Krishnan is our Senior Accounts Manager. He is responsible for supporting our CFO in the preparation of financial statements.

He graduated from Systemic College in 1992 with a London Chamber of Commerce Industry (LCCI) Higher in Accounting. In 2001, he completed the Professional Banking and Finance Course from the Institute of Banker Malaysia. He is an affiliate with the Chartered Institute of Management (CIMA) since 2002. He is also an associate member of the Institute of Banker Malaysia (presently known as the Asian Institute of Chartered Bankers).

With a career spanning over 30 years, he has held financial roles at JS Noronha & Co, Standard Chartered Bank (Malaysia) Berhad, Gas Malaysia Berhad, and Amalgamated Industrial Steel Berhad.

He joined Leform in 2012 as Corporate Finance Manager, overseeing banking facilities, and was promoted to Senior Accounts Manager in 2016. He played a key role in financial and accounting matters before the appointment of the Group's CFO.

Surian A/L Krishnan does not have any family relationship with any of our Directors and/or major shareholders.

Additional Information for Key Senior Management's Profile :

Directorship in Public Companies and Listed Corporations

None of the Key Senior Management have any directorships in public companies and/or listed corporations.

Conviction of Offence

None of the Key Senior Management have been convicted of any offence within the past 5 years other than traffic offences, if any. None of the Key Senior Management were penalised or sanctioned by any regulatory bodies during the financial year.

Conflict of Interest and Potential Conflict of Interests

None of the Key Senior Management have any conflict of interest and potential conflict of interest with the Company

VALUE CREATION STRATEGIC REVIEW

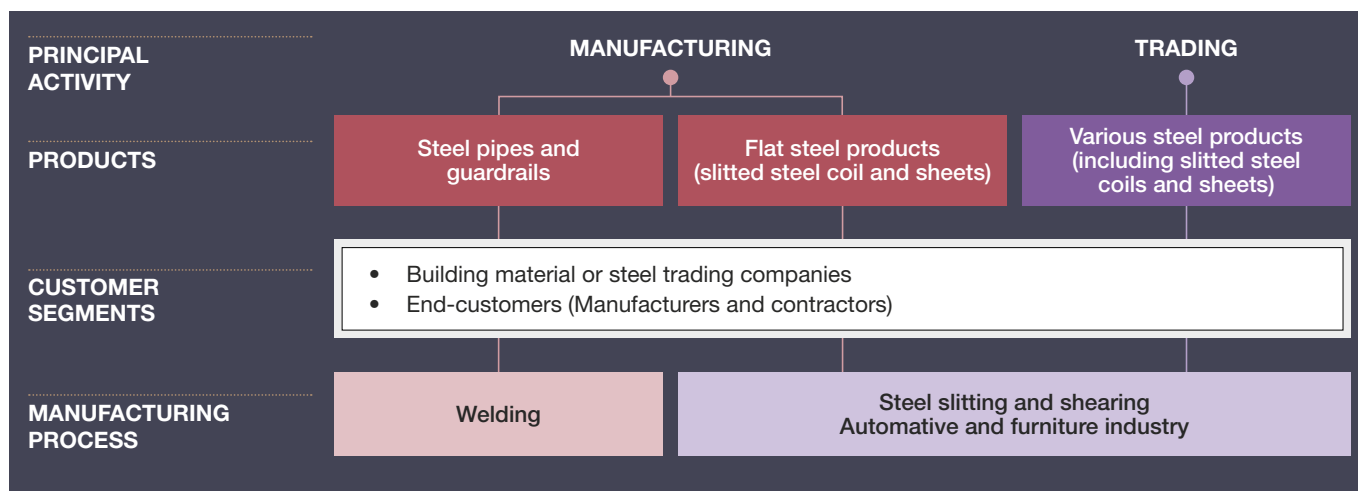
OUR APPROACH TO VALUE CREATION

At Leform Berhad (“Leform” or “the Group”), our value creation strategy is guided by our commitment to operational excellence, customer-centric innovation, sustainability, and financial resilience. The Group’s organisational strategy is guided by Environmental, Social and Governance (“ESG”) factors and aligned with the United Nations Sustainable Development Goals (“UN SDG”).

Our integrated business model, encompassing manufacturing, trading, and transportation of steel products, remains central to our value creation process. Leveraging our available resources, we have formulated strategies that balance immediate business needs with long-term growth and development. These strategies are executed through well-structured and established business processes.

For the year in review, our operational enhancements, disciplined financial management, and commitment to sustainability have further reinforced our position in the steel industry. In the financial year ended 31 December 2024 (“FY2024”), we continued to enhance our business efficiency, optimise costs, and strengthen our sustainability efforts, ensuring long-term value creation for all stakeholders.

Our Group Business Model



Our Business Strengths

Within the framework of our business model, we focus on developing and strengthening our core capabilities to drive sustainable growth. These core capabilities include: -

- offering an extensive selection of steel pipes, guardrails, and flat steel products tailored to diverse end-use industry applications
- operating from a well-equipped manufacturing facility designed to meet the highest industry standards
- an unwavering commitment to delivering steel products of the highest quality, validated by our ISO 9001:2015 certification and CIDB certification for the use of our products in scaffolding
- seamless and efficient streamlining of operations, from the initial stages of production to the final stages of delivery
- a senior management team with broad industry experience and technical expertise

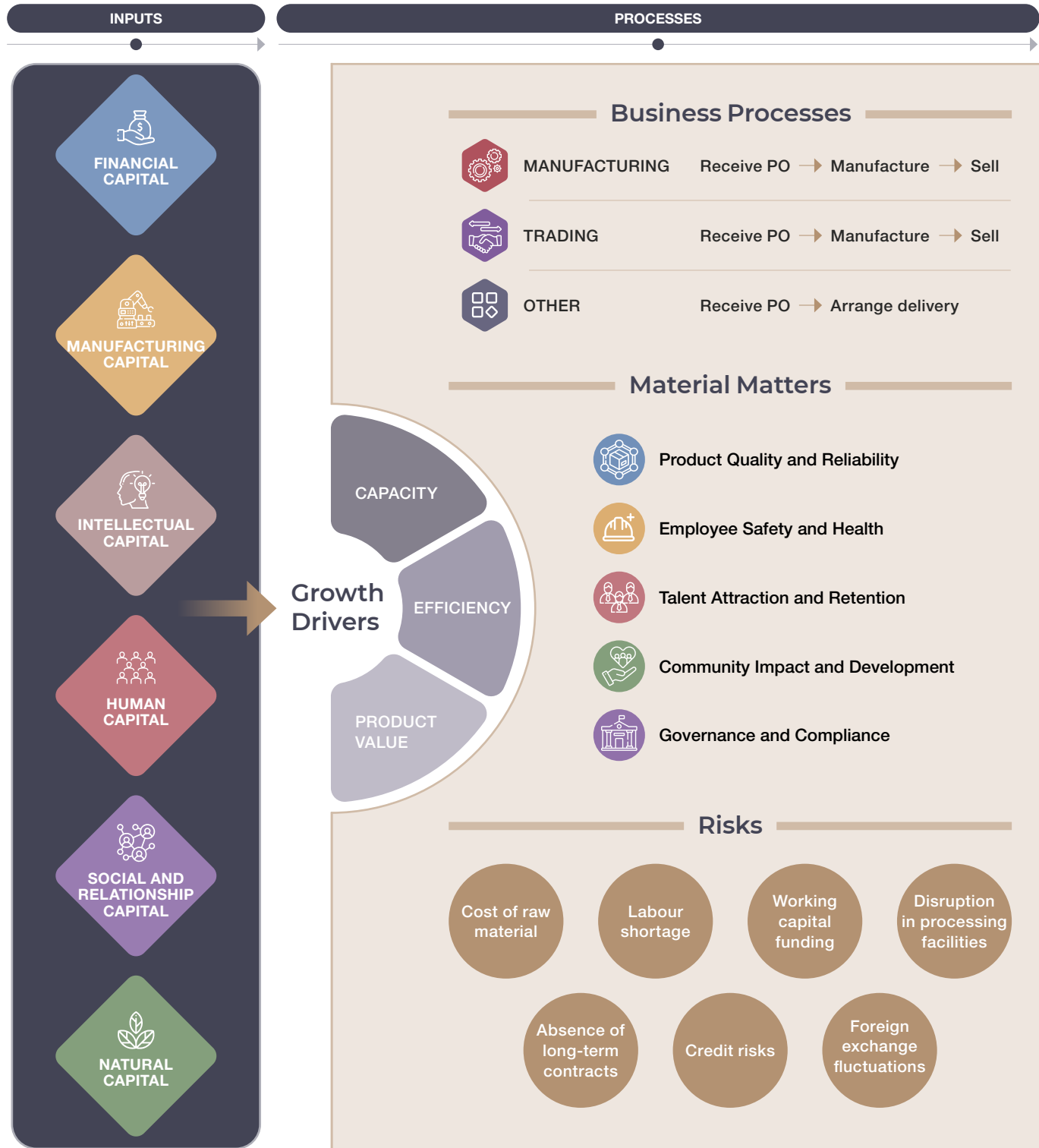
VALUE CREATION STRATEGIC REVIEW

Our Value Creation Model

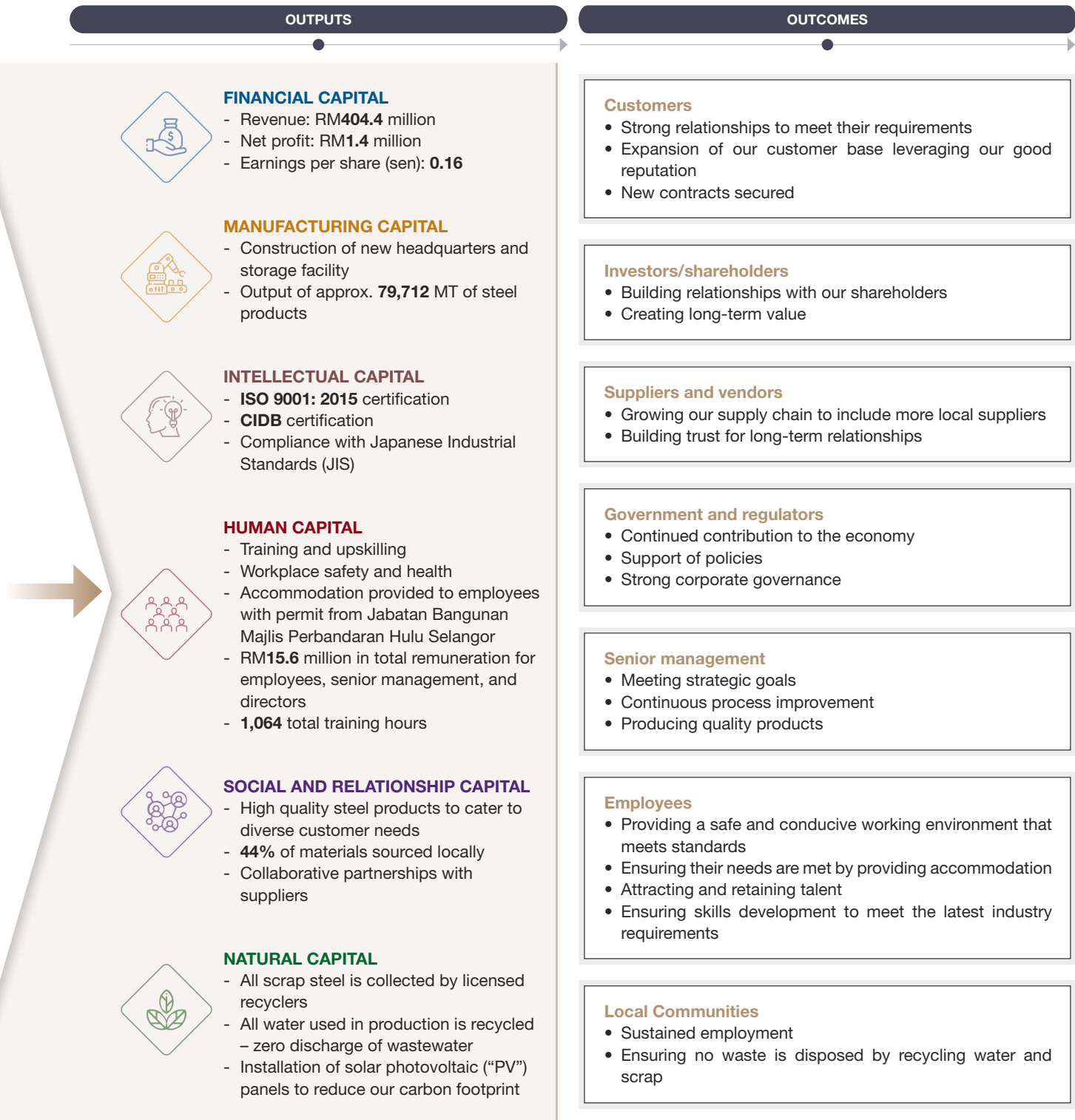


VALUE CREATION STRATEGIC REVIEW

Our Value Creation Business Model



VALUE CREATION STRATEGIC REVIEW



VALUE CREATION STRATEGIC REVIEW

Growth Drivers

We have identified three factors that contribute to the company's financial performance, operational expansion, and long-term sustainability. These drivers provide a competitive edge and ensure the Group remains resilient and adaptable to market conditions.

CAPACITY	<p>Aim: Increasing capacity and sales volume</p> <ul style="list-style-type: none"> • Strategic investments in equipment and facilities • Enhancing and incorporating advanced technologies into our operations • Adoption of innovative and advanced production methods • Increasing storage capacity for finished products to enable fulfilment of urgent orders <p>A major growth driver in FY2024 is the ongoing construction of Leform's expanded warehouse storage facility, which is now 90% complete and set for completion in the second half of 2025. This expansion will increase storage capacity, streamline logistics, and improve inventory management, allowing the Group to serve a larger customer base while optimising operations.</p>
EFFICIENCY	<p>Aim: Improving production capacity and reducing redundancies in our processes</p> <ul style="list-style-type: none"> • Efficient factory layouts and effective production planning • Standardisation and optimisation of processes to maximise efficiency • Sustainable production and construction methods that reduce waste and raw material usage, improve occupational safety and health standards, and enhance energy efficiency <p>Enhancing manufacturing processes, optimising raw material procurement, and managing logistics efficiently have been crucial to sustaining profit margins. The Group's strategic inventory management and bulk purchasing agreements help mitigate cost fluctuations, ensuring a stable supply chain and cost efficiency.</p>
PRODUCT VALUE	<p>Aim: Enhancing the value of our products for our customers and ensure we retain a competitive edge.</p> <ul style="list-style-type: none"> • Continual monitoring of consumer and market trends to drive product innovation • Rigorous product testing methodologies • Continued process innovation to develop value-added and sustainable products <p>Leform focuses on delivering high-quality, precision-manufactured steel products, ensuring durability and reliability across multiple industries. Through continuous improvements in product quality, expansion of product offerings, and adherence to industry standards, Leform strengthens its market position. The Group's commitment to consistent product innovation and customer-centric solutions allows it to cater to evolving industry demands, reinforcing customer trust and loyalty.</p>

Stakeholders Engagement

At Leform, we recognise that our long-term success is built on strong, transparent, and mutually beneficial relationships with our stakeholders. Our stakeholder engagement approach is designed to address the needs, concerns, and expectations of our key stakeholders, including shareholders, employees, customers, suppliers, regulators, and the broader community.

As a steel manufacturer, our operations are closely tied to supply chain efficiency, regulatory compliance, and evolving industry demands. Through proactive engagement and open communication, we work to align our business strategies with stakeholder expectations, ensuring that our decisions contribute to sustainable value creation.

VALUE CREATION STRATEGIC REVIEW

Stakeholders Engagement (Cont'd)

In FY2024, Leform continued to enhance stakeholder relationships by improving product quality, streamlining operations, and reinforcing sustainability commitments. Our initiatives, such as the installation of rooftop solar PV panels and the expansion of our warehouse facility, reflect our dedication to operational efficiency, environmental responsibility, and long-term business resilience.

By maintaining active dialogue and collaboration with our stakeholders, we can identify emerging challenges, opportunities, and risks, allowing us to make informed decisions that drive business growth, sustainability, and stakeholder trust.

Stakeholder	Why We Engage Them	How We Engage Them	How We Address Their Expectations	Expected Outcome
Customers	The customer is the primary focus for our business segments. Their satisfaction is a key driver for the sustainable growth of our organisation. By understanding their needs, in the context of current market trends and other external factors, we can offer products with greater value.	As needed: Feedback channels, regular meetings between customers and sales and/or technical personnel	Raising their feedback to management for consideration and potential implementation	<ul style="list-style-type: none"> - Product and process improvement - Improved relationship
Investors/ shareholders	Our investors and shareholders are central to our capital base.	As needed: Analyst briefings, road shows, Bursa filings, media engagement, Extraordinary General Meetings Annually: Annual General Meetings	<ul style="list-style-type: none"> - Adopting integrated reporting for communication of our company goals, strategic direction, sustainability efforts and governance policies, with a focus on long-term value creation - Engaging an Investor Relations team to manage communications 	<ul style="list-style-type: none"> - Strengthened investor confidence - Improved transparency - Long-term shareholder value
Suppliers and Vendors	Our suppliers and vendors are essential to the continuity of our operations for sourcing of materials, services, etc.	Bi-annually: Regular supplier and vendor meetings As needed: Site visits	<ul style="list-style-type: none"> - Regular meetings with suppliers enable effective production planning and cost efficiency - Periodic reviews ensure timely delivery and better quality 	<ul style="list-style-type: none"> - Strengthened supplier relationships - Optimised supply chain efficiency - Reduced operational disruptions

VALUE CREATION STRATEGIC REVIEW

Stakeholder Engagement (Cont'd)

Stakeholder	Why We Engage Them	How We Engage Them	How We Address Their Expectations	Expected Outcome
Government and regulatory authorities	Engaging with governmental and regulatory authorities helps us to drive compliance and formulate strategies that serve our business objectives.	As needed: Meetings and consultations. Site visits and audits	<ul style="list-style-type: none"> - Consistently staying abreast of legal and regulatory changes through an internal team and the engagement of external advisors - Contributing to the Malaysian economy through taxes and employer contributions 	<ul style="list-style-type: none"> - Full regulatory compliance - Reduced legal risks - Good industry reputation
Senior Management	Our Senior Management team are the key decision makers, determining the organisation's goals and formulating strategies.	As needed: Regular meetings with management teams of our segments Quarterly: Periodic reports on performance, KPIs, etc.	Aligning the Group's performance with the overall strategies and goals of the organisation	<ul style="list-style-type: none"> - Effective execution of corporate strategy - Improved operational efficiency - Better decision-making based on data driven insights - Improved communication
Employees	To create a conducive working environment that reduces turnover, increases productivity, builds better work and customer relationships, and contributes positively to profit generation.	As needed: Memos, meetings, announcements, messaging groups	<ul style="list-style-type: none"> - Providing a safe and conducive work environment that supports their development. - Providing ongoing training opportunities for employees to support their future career advancement. 	<ul style="list-style-type: none"> - Higher employee satisfaction and retention. - Increased productivity and efficiency. - Enhanced workplace culture and morale.
Local communities	The community surrounding our manufacturing facilities are directly impacted through employment by the Group.	As needed: Members of the communities can contact the Group directly via phone or email	<ul style="list-style-type: none"> - Enhancing our understanding of their needs - Improving our sustainability initiatives - Gathering their input on business matters involving the surrounding environment 	<ul style="list-style-type: none"> - Strengthened community relations. - Positive social impact and local development. - Enhanced corporate social responsibility (CSR) efforts