



TSA Group Berhad

Registration No. 202201010003 (1455700-A)

Your Total Industrial Hardware Solutions Supplier

3rd Annual General Meeting
18 June 2025



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ABOUT TSA GROUP BERHAD

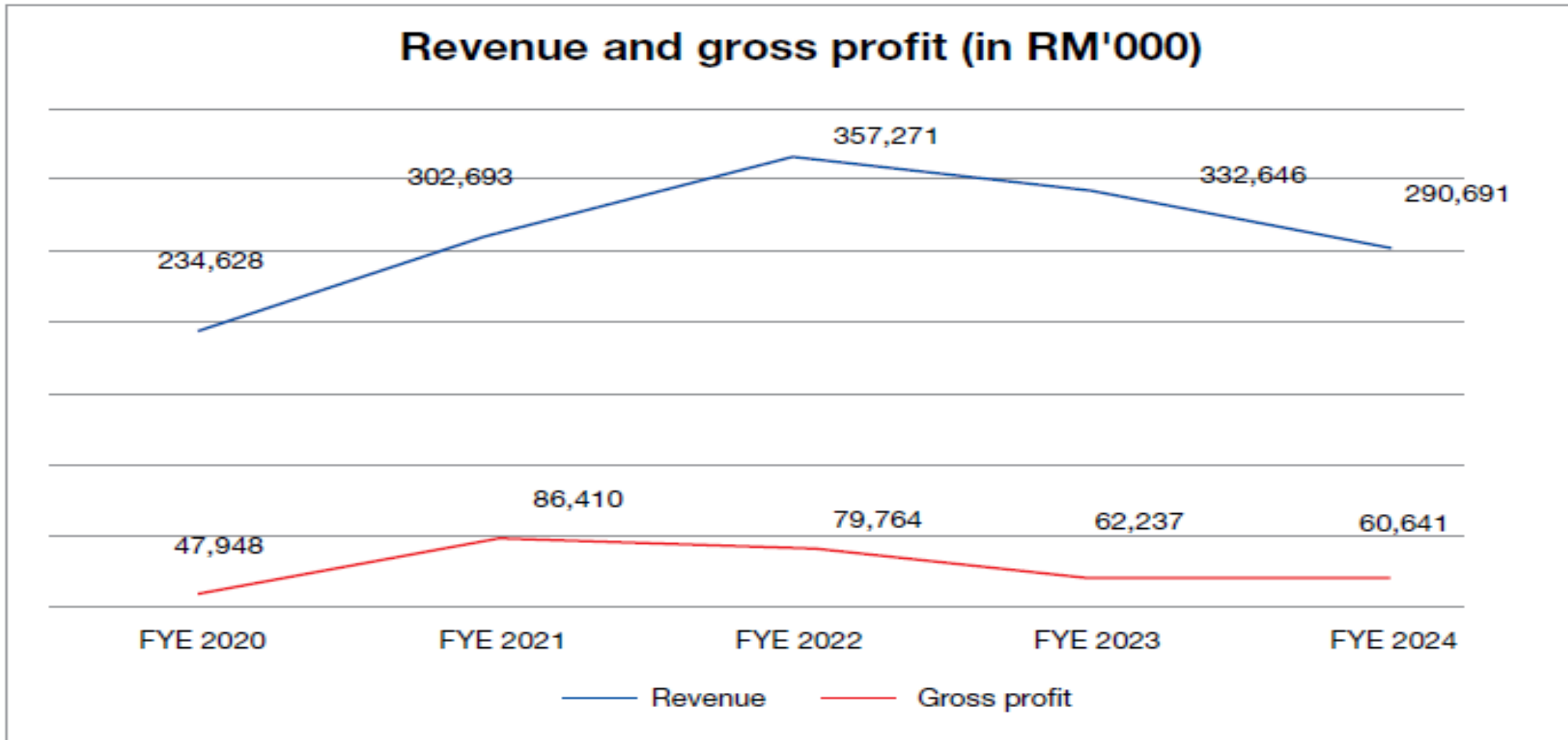
Our Group is principally involved in the trading of stainless steel and other metal products, hardware and other products, as well as the manufacturing of stainless steel pipes and processing stainless steel products.

Business activities and revenue streams	Products	Geographical markets	Distribution channel and customer base
Principal activities 	Main products traded <ul style="list-style-type: none"> Stainless steel plates, bars, coils, pipes, channels, and angles Copper bars Products manufactured <ul style="list-style-type: none"> Welded ornamental Stainless steel pipes Main products processed <ul style="list-style-type: none"> Stainless steel plates and bars 	Principal markets  Other markets <ul style="list-style-type: none"> Bangladesh, Indonesia, Thailand Others 	Main - direct <ul style="list-style-type: none"> Fabricators Construction companies Part manufacturers Plant maintenance companies Other - indirect <ul style="list-style-type: none"> Hardware wholesalers and retailers

FINANCIAL HIGHLIGHTS

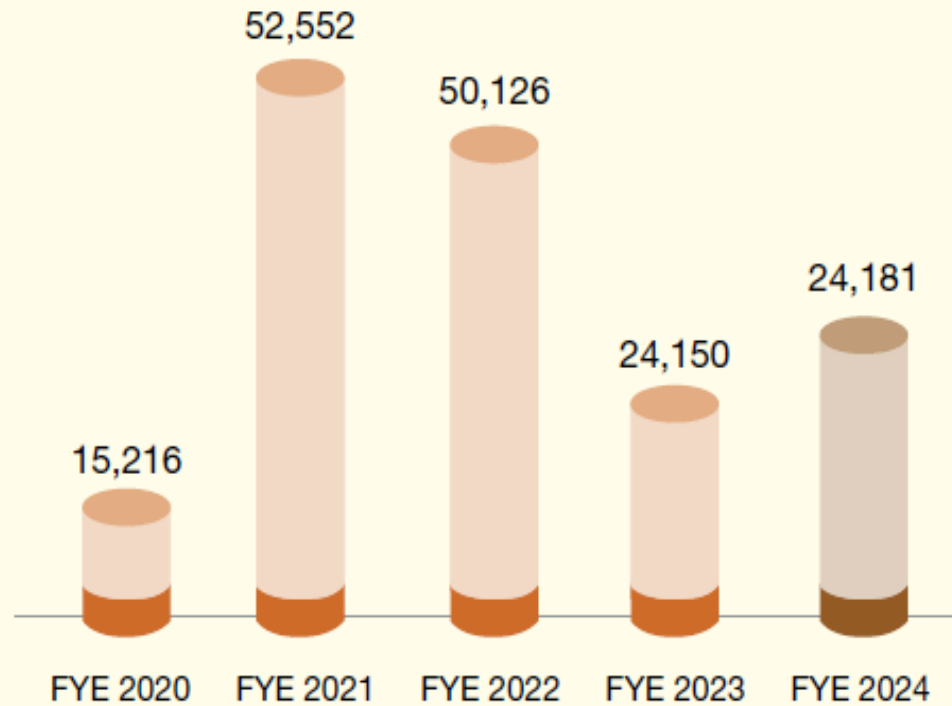


Key Financial Highlights FYE 2020 – 2024

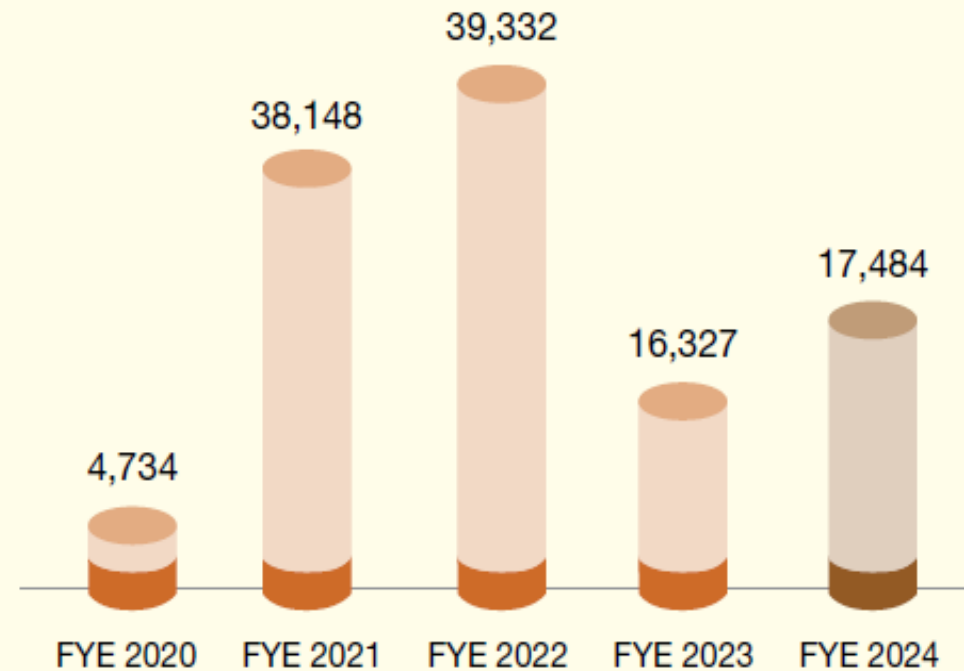


Key Financial Highlights FYE 2020 – 2024

Profit before taxation (RM'000)



Profit after taxation attributable to owner of the Company⁽¹⁾ (RM'000)



Note : ⁽¹⁾ The results are from continuing and discontinued operations.

Performance Review – FYE 2024 vs FYE 2023

	FYE 2023 (RM' mil)	FYE 2024 (RM' mil)	VARIANCE (%)
Revenue	332.6	290.7	(12.6%)
Gross profit	62.2	60.6	(2.6%)
Profit before taxation	24.2	24.2	0.1%
Profit after taxation attributable to owner of the Company	16.3	17.5	7.4%
Gross profit margin (%)	18.7%	20.9%	2.2%
Profit after taxation attributable to owner of the Company (%)	4.9%	6.0%	1.1%

Revenue ↓ 12.6% to RM290.7mil due to softer market demand, lower average selling prices, downturn in industrial sector (especially part and machinery manufacturers), as well as increased competition and lower global nickel prices

Gross Profit ↓ 2.6% to RM60.6mil while Gross Profit margin: ↑ 2.2% from 18.7% in FYE 2023 to 20.9% in FYE 2024 driven by focus on quality sales with better margins

Profit Before Tax stable at RM24.2mil, supported by legal recovery of RM3.3mil, higher unrealized derivative gains, increased interest income, lower administrative and finance costs (due to lower interest rate in USD borrowings), offset by higher impairment losses on financial assets (RM1.6 mil) and higher selling & distribution expenses (RM0.8mil)

Performance Review – FYE 2024 vs FYE 2023

Financial Position	FYE 2023 (RM' mil)	FYE 2024 (RM' mil)	VARIANCE (%)
Total assets	223.0	277.2	24.3%
Total borrowings	60.3	71.6	18.7%
Equity attributable to owners of the Company	139.7	181.8	30.1%

Total Assets: ↑ 24.3% to RM277.2mil

- Driven by higher cash and short-term investments post-IPO

Borrowings: ↑ 18.7% to RM71.6mil

- Due to higher utilisation of bank/trade facilities for inventory

Equity : ↑ 30.1% to RM181.8mil

- Due to the increase in equity through the issuance of new shares pursuant to the IPO

Performance Review – FYE 2024 vs FYE 2023

Key Financial Ratio	FYE 2023	FYE 2024
Gearing ratio (times)	0.43	0.39
Net assets per share attributable to owners of the Company (RM)	0.60	0.59
Basic and diluted earning per share (sen)	41 ⁽¹⁾	6 ⁽²⁾

Gearing Ratio: Improved from 0.43 to 0.39

- Due to the increase in equity through the issuance of new shares pursuant to the IPO

Earning per share:

- FYE 2023: 41 sen (pre-IPO basis)
- FYE 2024: 6 sen (post-IPO basis)

Notes :

⁽¹⁾ Basic Earnings per share (“EPS”) is computed based on weighted average number of ordinary shares of the Company after the completion of the acquisition of TSA Industries via issuance of 231,974,000 shares but before the issuance of new shares pursuant to the IPO of the Company.

⁽²⁾ Basic EPS is computed based on weighted average number of ordinary shares of the Company after the completion of the IPO of the Company on 2 February 2024 with the issuance of 77,325,000 new ordinary shares.

Outlook & Prospects

Outlook

Despite the challenging external environment, the Malaysian economy continued to show strength and resilience in 2024, where the Gross Domestic Product (“GDP”) grew by 5.1% ⁽¹⁾.

- The Malaysian economy is projected to grow between 4.5% and 5.5% in 2025 ⁽¹⁾
- Construction and manufacturing sectors to expand 9.4% and 4.5% respectively ⁽²⁾
- The stainless steel industry provides intermediate inputs to the construction industry and manufacturing sector which our Group supplies. As such, the performance of these industries as well as the general economy of Malaysia would impact our Group.

The Group remains mindful of global developments, including the imposition of reciprocal tariffs by the U.S., which have created uncertainty in the global stainless steel market. These developments may affect demand, pricing, and supply chain dynamics. The Board is closely monitoring the situation and will assess any potential impact on the Group’s performance and strategic direction.

Sources:

(1) Bank Negara Malaysia Annual Report 2024, 24 March 2025

(2) Budget 2025, Economic Outlook 2025 by Ministry of Finance, 18 October 2024.

Prospects

- Our Group remains committed to expanding our core business of trading in stainless steel and other metal products, and the manufacturing of stainless steel pipes.
- Various plans are in the pipeline to increase its product range in order to better serve customer needs and capture new market opportunities.
- The prospects of the stainless steel industry are dependent on demand from among others, the manufacturing sector and construction industry.
- Global geopolitical and economic factors will also have a significant impact on both the demand and the pricing of stainless steel and other metal commodities.
- Our Group remains vigilant in its risk management and strategic planning. While we remain optimistic about the opportunities ahead, we acknowledge that uncertainties remain and will continue to adopt a cautious and flexible approach in navigating the evolving business landscape.

Semenyih Manufacturing Premises

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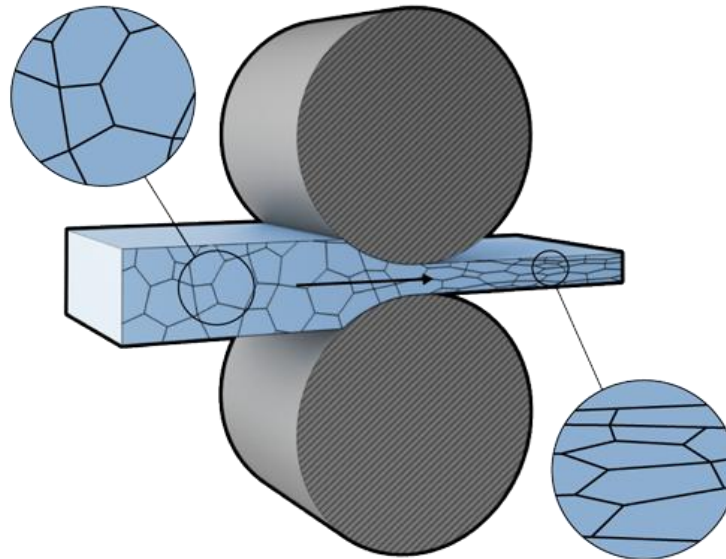
Establish
Manufacturing
Premises



02



Establish a
Stainless Steel
Cold Rolling
Line



SEMENYIH - EXPAND PRODUCTION FACILITY

- Build manufacturing premise on our vacant leasehold land in Semenyih
- Construction cost is funded via IPO proceeds, bank borrowings and internal funds
- Expand manufacturing line to include stainless steel cold rolling line

Current status :

Earthworks commenced in the 1st quarter of 2025

Area	Approximate built-up area (sq ft)
Office area	23,250
Production area for stainless steel cold rolling	197,128
1 block of workers' hostel	18,858
TOTAL	239,236

Indicative Timeline	Milestones
Third quarter 2025	<ul style="list-style-type: none"> • Engage main contractor to construct the Semenyih Manufacturing Premises. • Commence construction works for the said premises.
First quarter 2027	<ul style="list-style-type: none"> • Complete construction of the Semenyih Manufacturing Premises. • Commence setting up for the stainless steel cold rolling line.
Third quarter 2027	<ul style="list-style-type: none"> • Commissioning of the stainless steel cold rolling line.

SEMENYIH MANUFACTURING PREMISES - SITE PHOTOS



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Thank you