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NOTICE OF

ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fourth Annual General Meeting of the Company will be held at The Auditorium, Podium 1, Menara MAA, No. 12 Jalan Dewan Bahasa, 50460 Kuala Lumpur on Wednesday, 31 October 2007 at 2.00 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the period from 1 February 2006 to 30 June 2007 together with the Reports of the Directors and the Auditors thereon.
2. To approve the payment of a final tax-exempt dividend of 1.5% in respect of the financial period ended 30 June 2007. (Resolution 1)
3. To approve the payment of Directors' fees amounting to RM650,000 in respect of the period from 1 July 2007 to 31 December 2008 to be payable quarterly in arrears. (Resolution 2)
4. To re-elect the following Directors of the Company who are retiring pursuant to Article 77 of the Company's Articles of Association, and who, being eligible, offer themselves for re-election:
 - (i) Tunku Dato' Seri Iskandar bin Tunku Tan Sri Abdullah (Resolution 3)
 - (ii) Datuk Lim Kim Chuan (Resolution 4)
 - (iii) Mr Paul Chan Wan Siew (Resolution 5)
5. To re-appoint Messrs PricewaterhouseCoopers as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 6)

AS SPECIAL BUSINESS

6. To consider and, if thought fit, to pass the following resolutions as Ordinary/Special Resolutions:
 - (a) **Proposed Renewal of authority for the Company to purchase its own shares** (Resolution 7)

"THAT subject to compliance with Section 67A of the Companies Act 1965, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authority, the Company be and is hereby unconditionally and generally authorised to purchase and hold such number of ordinary shares of RM1 each in the Company ("Proposed Renewal of Share Buy-Back Authority") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that the aggregate number of shares to be purchased pursuant to this Resolution does not exceed ten percent (10%) of the issued and paid-up share capital of the Company and that an amount not exceeding the Company's total audited retained profits of RM22,168,214 and share premium account of RM14,918,638 as at 30 June 2007 would be allocated by the Company for the Proposed Renewal of Share Buy-Back Authority.

AND THAT such authority shall commence immediately upon passing of this ordinary resolution and will expire at the conclusion of the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution of shareholders of the Company in a general meeting or upon the expiration of the period within which the next Annual General Meeting is required by law to be held whichever is the earlier but not so as to prejudice the completion of purchase(s) made by the Company before the aforesaid expiry date.

AND THAT the Directors be and are hereby authorised to take all steps necessary to implement, finalise and to give full effect to the Proposed Renewal of Share Buy-Back Authority and further that authority be and is hereby given to the Directors to decide in their absolute discretion to either retain the shares so purchased as treasury shares or cancel them or both."

(continued)

(b) Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs") (Resolution 8)

"THAT the mandate granted by the shareholders of the Company on 22 June 2006 pursuant to Paragraph 10.09 of the Listing Requirements of Bursa Securities, authorising the Company and its subsidiaries ("the Mycron Group") to enter into the recurrent related party transactions of a revenue or trading nature which are necessary for the Mycron Group's day-to-day operations as set out in Section 3.0 of Part B of the Circular to Shareholders dated 9 October 2007 ("the Circular") with the related parties mentioned therein, be and is hereby renewed, AND THAT mandate be and is hereby granted by the shareholders of the Company to apply to the additional recurrent related party transactions of a revenue or trading nature as set out in Section 3.0 of Part B of the Circular with the related parties mentioned therein, provided that:

- (a) the transactions are in the ordinary course of business and are on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company;
- (b) the transactions are made at arm's length and are on normal commercial terms; and
- (c) disclosure will be made in the annual report providing the breakdown of the aggregate value of the transactions conducted pursuant to the mandate during the financial year, amongst others, based on the following information:
 - (i) the type of the RRPTs made; and
 - (ii) the names of the related parties involved in each type of the Recurrent Transactions made and their relationship with the Company.

AND THAT the authority conferred by such renewed and granted mandate shall continue to be in force (unless revoked or varied by the Company in a general meeting) until:

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming AGM at which time it will lapse, unless by a resolution passed at that meeting or Extraordinary General Meeting whereby the authority is renewed; or
- (ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Companies Act 1965 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) revoked or varied by a resolution passed by the shareholders in general meeting;

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

SPECIAL RESOLUTION 1

(c) Proposed Amendments to Articles of Association of the Company (Resolution 9)

"THAT, the deletion, alterations, modifications and/or additions to the Articles of Association of the Company as set out under Section 1.0 of Part C of the Circular to Shareholders of the Company dated 9 October 2007 be and are hereby approved and adopted."

NOTICE OF

ANNUAL GENERAL MEETING

(continued)

NOTICE OF CLOSURE OF BOOKS

NOTICE IS ALSO HEREBY GIVEN that the Register of Members will be closed at 5.00 p.m. on 7 November 2007 for the purpose of determining shareholders' entitlement to the final tax-exempt dividend of 1.5% in respect of the financial period ended 30 June 2007.

The dividend, if approved, will be paid on 28 November 2007 to shareholders whose names appear in the Register of Members of the Company at the close of business on 7 November 2007.

A depositor shall qualify for entitlement only in respect of:

- (a) shares transferred into the Depositor's Securities Account before 4.00 p.m. on 7 November 2007 in respect of ordinary transfers;
- (b) shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

LILY YIN KAM MAY (MAICSA 0878038)

WONG YEAP MIN (MIA 2725)

Company Secretaries

Kuala Lumpur

9 October 2007

NOTES:

1. A member entitled to attend and vote at a meeting of the Company is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.
2. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint one (1) proxy in respect of each securities account.
3. The instrument appointing a proxy, shall be in writing under the hand of the appointer or his attorney duly authorised in writing, and in the case of a corporation, either under seal or under hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy must be deposited at the Company's Registered Office, Suite 20.03, 20th Floor, Menara MAA, No.12, Jalan Dewan Bahasa, 50460 Kuala Lumpur, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
5. Any alteration in the form of proxy must be initialled.
6. Explanatory notes to Special Business of Agenda 6:

(a) Proposed Renewal of authority for the Company to purchase its own shares

The Proposed Resolution 7, if passed, would empower the Directors to exercise the power of the Company to purchase its own shares ("the Proposal") by utilising its financial resources not immediately required. The Proposal may have a positive impact on the market price of the Company's shares. The details of the Proposed Resolution 7 are given under Part A of the Circular to Shareholders dated 9 October 2007 which is dispatched together with the Company's 2007 Annual Report.

(b) Proposed Shareholders' Mandate for Recurrent Related Party Transactions

The Proposed Resolution 8, if passed, will empower the Company to conduct recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations, and will eliminate the need to convene separate general meetings from time to time to seek shareholders' approval. This will substantially reduce administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

The detailed information on Recurrent Related Party Transactions is set out in Part B of the Circular to Shareholders of the Company dated 9 October 2007 which is dispatched together with the Company's 2007 Annual Report.

(c) Special Resolution 1 - Proposed Amendments to the Articles of Association of the Company

The Proposed Resolution 9, if passed, will update the Articles of Association of the Company to ensure continued compliance with the Listing Requirements of Bursa Securities and to further enhance the administration of the internal affairs of the Company as well as to streamline and add clarity to the Articles of Association.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.28(2) of the Listing Requirements of Bursa Malaysia Securities Berhad, the details of the Directors who are seeking for re-election or re-appointment in Agenda 4 of the Notice of the Fourth Annual General Meeting of the Company are set out in the Directors' Profile on pages 13 to 17 of this Annual Report. Their securities holdings in the Company are set out in the Directors' Shareholdings which appears on page 21 of this Annual Report.

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Mycron Steel Berhad ("Mycron") Group, I have pleasure in presenting the Group's Annual Report for the period ended 30 June 2007.

The financial year end date has been changed from 31 January to 30 June, with effect from the accounting period starting on 1 February 2006. As such, the audited accounts presented in this Report are for the 17 months ended on 30 June 2007.

STEEL INDUSTRY REVIEW

The Steel Industry in Malaysia has in the past few years shown an erratic pattern of growth in apparent steel consumption terms.

However, looking ahead, the government has announced some major projects for implementation and these projects are likely to provide some boost to demand for steel products domestically.

The steel industry in Malaysia is centred to a large extent, mainly on two sectors - construction and manufacturing.

With continued emphasis on the manufacturing sector as the engine of growth, it is anticipated that Malaysia's consumption pattern for steel will witness a gradual shift from long to flat steel products in the medium to long term.

The coming years will pose a greater challenge as Cold Rolled Coil ("CRC") steel production capacity in the country will be substantially increased, with Megasteel gradually maximising their CRC production which is rated at 1.2 million metric tons ("MT") a year. At the same time, Ornasteel has already commissioned their new 4 high reversing mill (150,000 MT a year) while Yung Kong Galvanising Industries will be starting up their new 6 high reversing mill in the 2nd half of 2007 (200,000 MT a year).

In spite of the large production capacity for CRC, Malaysia still needs to import grades and qualities of CRC that are not available locally. Imports of CRC recorded 801,000MT and 808,000 MT respectively for 2005 and 2006 versus total domestic consumption of 1.142 million MT and 1.291 million MT for 2005 and 2006 respectively.

TECHNICAL ASSISTANCE FROM JAPAN FERROUS ENTERPRISE

In light of the abovementioned industry developments, Mycron's challenge is therefore to enhance import substitution by taking strategic steps to move our products more towards the higher end markets. Accordingly, we have entered into a Technical Assistance Agreement with Japan Ferrous Enterprise ("JFE") during the early part of the financial period to enhance our ability to produce thin gauge CRC used mainly by Galvanizers. Under this arrangement, JFE will assist Mycron in rolling down CRC to a thickness of 0.2mm from 0.3mm previously. We are pleased to report that this has been successfully completed ahead of schedule by September 2006 and consequently improved our sales volume to this sector from 1.9% previously to over 8% of total sales currently.

Our 2nd Technical Assistance Agreement with JFE, which was signed on 31 January 2007, to produce CRC grades for automotive use, is currently in progress. We expect this technical transfer to enhance our ability to supply CRC not only for automotive use but also to Electro-Galvanizers and other higher-end users upon completion in 18 months.

The above Technical Assistance Agreements are being complemented with our investment in new equipment to upgrade the quality of our CRC output, as well as boost production capacity by 45% or 80,000 MT per year. This new equipment is expected to be operational by early 2008 and the higher production volumes will help lower operating costs as well as shorten lead-times thus improving on our delivery service which should in turn discourage imports.

PLANT UPGRADE AND EXPANSION PROJECT

As reported last year, Mycron has commissioned a RM120 million plant expansion project, to upgrade its CRC quality and expand its range of CRC products, besides increasing its manufacturing capacity from 180,000 MT to 260,000 MT per year.

The expansion project involves the installation of a new Combination Skinpass cum Tension-Leveling Mill, together with ancillary equipment and new batch annealing furnaces and is funded by bank borrowings. The target completion of the plant upgrade is April 2008.

With added capacity in the pipeline, we have signed a three (3) year off-take agreement with our associate, PMP Galvanizers Sdn Bhd ("PMP") for up to 75,000 MT per year, and more recently, inked another off-take agreement with BlueScope (Malaysia) Sdn Bhd ("BlueScope") which is part of BlueScope Steel Ltd Group, the largest steel player in Australia. Under the BlueScope deal, we will supply up to 60,000 MT of CRC to BlueScope over three (3) years with the first year target of 30,000 MT.

Mycron's current expansion program is dedicated to all our customers to reinforce our commitment to them that we will continue to provide our best service and quality at reasonable prices for the long-term benefit of all parties.

The Board is indeed pleased with the progress of the plant expansion as well as the abovementioned new off-take partnerships which will not only ensure full utilisation of the additional capacity but also positive contribution to the profits of Mycron Group.

Financial Results

Amidst a challenging environment for the 17-month period ended 30 June 2007 which saw a 13.0% fall in the year-on-year average steel prices, Mycron registered a commendable Total Revenue of RM482.3 million which was bolstered by a recovery in the demand for finished CRC products to normal levels. In terms of CRC tonnage, Mycron achieved 201,994 metric tons ("MT"). There is no basis for comparison for this 17-month financial period which represents a one-off anomaly arising from the change in the financial year end.

As a result of the increased tonnage and total revenue, the Group recorded a financial period ended 30 June 2007 Net Profit After Tax of RM21.8 million. In terms of Unit Profitability, 2007 generated a Profit After Tax Margin of RM108 per MT (or US\$ 30 per MT).

SIGNIFICANT CORPORATE ACQUISITIONS

Mycron had on 12 March 2005 entered into a Share Sale Agreement to acquire 15,600,000 ordinary shares of RM1.00 each in PMP, which represented 20% of the issued and paid-up capital of PMP, at a total purchase price of RM17.0 million. The purchase involved staged milestone payments, and Mycron had completed the full payment for this investment on 25 June 2007. Accordingly, the post acquisition operating results of PMP were equity accounted for as an associate company in the audited accounts for the financial period ended 30 June 2007.

PMP is a member of Multi Resources Holdings Sdn Bhd, a Kuching based manufacturer of steel roofing products, roofing trusses, colour coating and roofing profiles currently being exported to Australia, New Zealand, the Middle East and Southeast Asia. PMP has completed the installation of its 150,000 MT per year capacity CRC galvanising plant, which became operational in the first half of 2007.

PROSPECTS FOR THE NEW FINANCIAL YEAR

The severe downturn experienced in 2005, which caused steel prices to fall sharply in a short span of time due to excessive cheap imports from China was a bitter pill to swallow. Companies have now become more prudent in their inventory control policies, which may work to our advantage of being a local supplier of quality steel.

Recent moves by the Chinese Government to cut exports to curb energy use as well as to improve trade relations with some of its main trading partners have resulted in the authorities introducing a number of measures. These include a new export licensing policy as well as a 5-10% export tax on finished long products and Hot Rolled Coil shipments from 1st June 2007.

These changes in Chinese export legislation will at least in the short-term limit volumes of material being shipped out of the country potentially increasing Chinese domestic supply. However, as finished product consumption in both the region and other international markets over the second half of 2007 may begin to slow down for seasonal reasons, it is unlikely that even as Chinese supplies decrease, the supply-demand fundamentals elsewhere can firm. While long product prices may generally remain stable, the extent to which prices of flat products will fall may well depend on regional production levels.

On the outlook of the domestic steel industry, the implementation of the 9th Malaysia Plan has yet to make any positive impact. Moving forward, we expect growth to be moderate as the much-awaited economic boost is still lacking. In any case, the plans and strategies that we have in place and those that we are implementing will put us in a favourable position to take advantage of any opportunities that may arise in the near future.

PROPOSED DIVIDEND

In line with the current distribution policy of the Group, the Board of Directors proposes a final dividend of 1.5 sen per share tax exempt for the financial period ended 30 June 2007 which is subject to shareholders' approval at the forthcoming Annual General Meeting to be held on 31 October 2007. If approved, the final dividend will be paid on 28 November 2007.

CHAIRMAN'S STATEMENT

(continued)

ACKNOWLEDGEMENT

On behalf of the Board, I would like to express my deepest gratitude to our shareholders, customers, suppliers and business partners and look forward to your continued support in the years ahead.

I also wish to thank all our staff for their hard work, dedication and commitment that has made Mycron Steel Berhad, the best name in the Malaysian CRC industry.

Tunku Dato' Seri Iskandar bin Tunku Tan Sri Abdullah
Chairman

26 September 2007

Domicile	:	Malaysia
Legal Form & Place of Incorporation	:	A public listed company incorporated in Malaysia under the Companies Act, 1965 and limited by shares
Directors	:	<p>Tunku Dato' Seri Iskandar bin Tunku Tan Sri Abdullah</p> <ul style="list-style-type: none"> • Non-Independent Non-Executive Chairman <p>Tunku Dato' Ya'acob bin Tunku Tan Sri Abdullah</p> <ul style="list-style-type: none"> • Non-Independent Non-Executive Director <p>Dato' Zulkifly @ Sofi bin Haji Mustapha</p> <ul style="list-style-type: none"> • Non-Independent Non-Executive Director <p>Encik Azlan bin Abdullah</p> <ul style="list-style-type: none"> • Executive Director/Chief Executive Officer <p>Datuk Lim Kim Chuan</p> <ul style="list-style-type: none"> • Non-Independent Non-Executive Director <p>Dato' Abu Talib bin Mohamed</p> <ul style="list-style-type: none"> • Independent Non-Executive Director <p>Dato' Narendrakumar Jasani a/l Chunilal Rugnath</p> <ul style="list-style-type: none"> • Independent Non-Executive Director <p>Mr Paul Chan Wan Siew</p> <ul style="list-style-type: none"> • Independent Non-Executive Director
Secretaries	:	Ms Lily Yin Kam May Mr Wong Yeap Min
Audit Committee	:	<p>Dato' Narendrakumar Jasani a/l Chunilal Rugnath</p> <ul style="list-style-type: none"> • Chairman <p>Dato' Zulkifly @ Sofi bin Haji Mustapha</p> <ul style="list-style-type: none"> • Member <p>Mr Paul Chan Wan Siew</p> <ul style="list-style-type: none"> • Member
Registrar & Transfer Office	:	Trace Management Services Sdn Bhd Suite 20.03 20th Floor Menara MAA No 12 Jalan Dewan Bahasa 50460 Kuala Lumpur Telephone No: 03-2141 3060 Telefax No: 03-2141 3061
Registered Office	:	Suite 20.03 20th Floor Menara MAA No 12 Jalan Dewan Bahasa 50460 Kuala Lumpur Telephone No: 03-2141 3060 Telefax No: 03-2141 3061
Principal Place of Business	:	Lot 717 Jalan Sungai Rasau Seksyen 16 40200 Shah Alam Selangor Darul Ehsan Telephone No: 03-5510 6608 Telefax No: 03-5510 3720

CORPORATE

INFORMATION

(continued)

Solicitors	:	Megat Najmuddin Leong & Co. 102 Jalan Bangsar 59200 Kuala Lumpur Telephone No: 03-2282 7277 Telefax No: 03-2284 3508
		Cheang & Ariff 39 Court 39 Jalan Yap Kwan Seng 50450 Kuala Lumpur Telephone No: 03-2161 0803 Telefax No: 03-2161 4475
Auditors	:	Messrs PricewaterhouseCoopers (AF 1146) Level 8-15, 1 Sentral Jalan Travers Kuala Lumpur Sentral 50470 Kuala Lumpur Telephone No: 03-2173 1188 Telefax No: 03-2173 1288
Principal Bankers (In alphabetical order)	:	<ul style="list-style-type: none">• AmInvestment Services Berhad• DBS Bank Ltd• Malayan Banking Berhad• OCBC Bank (Malaysia) Berhad
Stock Exchange Listing	:	Bursa Malaysia Securities Berhad ("Bursa Securities") Stock Number 5087
Website & E-mail	:	http://www.mycronsteel.com enquiry@mycronsteel.com