

CSC STEEL HOLDINGS BERHAD
Registration No. 200401001854 (640357-X)
(Incorporated in Malaysia)

Minutes of the Twentieth Annual General Meeting (“20th AGM”) of CSC Steel Holdings Berhad (“the Company”) duly convened and held at Level 1 of the Company’s Office Block, 180 Kawasan Industri Ayer Keroh, Ayer Keroh, 75450 Melaka on Wednesday, 29 May 2024 at 10:30 a.m.

Shareholders

- Present : As per the Attendance List
- Shareholders : Individuals - 16
By proxy - 44
(of which a Director acted for 1 major shareholder and Chairman acted for 36 shareholders)
- Directors : 7
- By Invitation : Ms. Tan Yu Min (*Representative from Deloitte PLT*)
Ms. Seek Ming Hui (*Representative from Deloitte PLT*)
- In Attendance : Ms. Wong Chee Yin (*Company Secretary*)

CHAIRMAN

The Board had elected Mr. Chiu, Ping-Tung to chair the meeting. With no objection from the floor, Mr. Chiu, Ping-Tung, the Group Managing Director took the chair and called the meeting to order at 10:30 a.m.

QUORUM

There being the requisite quorum, the AGM was called to order.

The Chairman then introduced the fellow Board members, the Company Secretary and the Representatives from Deloitte PLT to the shareholders.

NOTICE

The notice convening the meeting, which had been properly sent to the shareholders of the Company by email or post and duly advertised in a local newspaper, the New Straits Times, within the statutory period, was taken as read.

POLL VOTING

Before proceeding with the items of the agenda of the meeting, the Chairman informed that the voting for all the resolutions to be considered at the meeting would be put to vote by poll pursuant to Paragraph 8.29A (1) of Bursa Malaysia Securities Berhad's Main Market Listing Requirements.

The Scrutineers, MK Advisory Management was appointed to act as Scrutineer to validate the votes casted at the meeting. However, to ensure the smooth conduct of this meeting, the poll on all resolutions would be conducted after the meeting had deliberated on all items on the agenda.

The Chairman explained to the members present that ordinary resolutions 1 to 8 required a simple majority of more than 50% votes from those members in person or by proxies and voting at the meeting.

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 TOGETHER WITH THE DIRECTORS' AND THE AUDITORS' REPORTS THEREON

The Chairman informed that the first item on the agenda was to receive the Audited Financial Statements of the Company and of the Group for the financial year ended 31 December 2023 together with the Directors' and Auditors' Reports, having been circulated to all the shareholders of the Company within the Statutory period, were tabled for discussion.

The Board received the following questions from the shareholders of the Company, and the answer to the questions were provided as follows:-

- Q1 Q: The improvement on the Company's performance is due to better selling price or lower material cost?
- A: The Chairman replied that in year 2023, the Group had managed to squeeze for better profit margin by riding on the strong recuperation of Malaysia's steel market especially the construction industry, coupled with cost optimisation measures taken, which was also contributed to the improvement in profit.

- Q2 Q: Referred to page 31 of the Annual Report, it shows that the overall electricity consumption reduced, is there any target to lowering the electricity intensity used in the future?
- A: The Chairman replied that the Group had implemented several measures to manage the consumption of utilities, which includes electricity usage during off-peak period and installation of solar panels. In the coming years, the Group is keen to adopt the AIoT (Artificial Intelligence of Things) system to assist in managing the consumption of utilities, as to further improve efficiency and cost saving.
- Q3 Q: How much costs were incurred by the Company for the installation of solar panels and is there any plan to enlarge the scale?
- A: The Chairman replied that the cost of installing the solar panels was amounted to approximately RM7 million. Currently, the Group has no plan to enlarge the scale of solar panels.
- Q4 Q: Referred to page 87 of the Annual Report on note 15, could you please explain on the reason for the drastic drop in the price of raw materials, work-in-progress, and finished goods under cost items compared with the amounts of raw materials, work-in-progress, and finished goods under net realisable value items, which are supposed to be higher value?
- A: Ms. Tan Yu Min replied that under the Malaysian Financial Reporting Standards, inventories must be written down to the lower of cost or net realisable value, whichever is lower. By referring to note 15 of the Annual Report, the total inventories amounted to RM331 million. This total comprises RM244 million at cost and RM87 million at net realisable value. The cost figure pertains to inventories that were not subject to any write-downs at year-end, while the net realisable value represents the inventories that were written down as of year-end. The total inventory written off expenses amounted to RM6.5 million during the financial year.
- Q5 Q: Does the Malaysian government still impose high tariff on imported steel products?
- A: The Chairman replied that the Malaysia's steel industry is not fully protected with high tariff now as there are many multi-lateral free trade agreements being signed by the Malaysian government, such as Asean Trade in Goods Agreement (ATIGA), Malaysia-Japan Economic Partnership Agreement (MJEPA), etc. As such, the Group is facing stiff competition from imported steel products as the steel market globally is still in oversupply situation. In order to regulate a fair competition for local steel market, the Group is monitoring closely on the imports and will apply for trade measures as and when necessary.

- Q6 Q: What is the percentage of the current utilisation of the production capacity?
- A: The Chairman replied that at this moment the utilisation rate is about 80%.
- Q7 Q: Currently, the steel industry is in very bad state but why the Company is doing well?
- A: The Chairman replied that as long as the issue of oversupply in the global steel industry is still persist, the steel market will continue to be in a “roller coaster” state. However, there are still bright moments throughout the year, and it is a very challenging task for the Group to act quickly and adjust the sales strategy to gain a reasonable return. This is one of the key elements that impact the financial performance of the Group.
- Q8 Q: Can you tell us who is your customers and which sector the Company is selling to?
- A: The Chairman replied that the Group's main customers by sector are service centres, roll formers, pipe manufacturers and drum manufacturers. Out of these sectors, the Group sells the most to the roll formers.
- Q9 Q: Referred to page 58 of the Annual Report, the revenue in year 2022 shows the amount of RM1.69 billion and in year 2023 shows the amount of RM1.56 billion, may I know what caused the revenue drop but resulted in higher profit?
- A: Ms. Lin, Yi-Jane replied that it was due to the differences between the sales quantity and the price. The increase in sales quantity is greater than the decrease in price, and the Group had put in a lot of efforts for optimising the cost saving measures, resulting better profit in year 2023.

Without further queries, the Chairman declared that the Audited Financial Statements for the financial year ended 31 December 2023 together with Directors' and Auditors' Reports thereon as properly laid before the meeting and duly received by the Shareholders.

2. ORDINARY RESOLUTION 1:
FINAL SINGLE TIER DIVIDEND OF 9.40 SEN PER SHARE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The Chairman moved on to the second item on the Agenda was to approve the final single tier dividend of 9.40 sen per share for the financial year ended 31 December 2023 (“Final Single Tier Dividend”), and if approved by the shareholders, the Final Single Tier Dividend would be payable on 9 July 2024 to the shareholders whose names appear on the Record of Depositors of the Company as at the close of business on 21 June 2024.

The Chairman put the motion “THAT a final single tier dividend of 9.40 sen per share in respect of the financial year ended 31 December 2023 be approved” to the meeting for consideration.

The Chairman asked the shareholders whether they had any questions on the said motion. As there was no question, the Chairman then proceeded to the next item on the Agenda.

3. ORDINARY RESOLUTION 2:
DIRECTORS’ FEES FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2024

The third item on the Agenda was to approve the payment of Directors’ Fees for the financial year ending 31 December 2024.

The Chairman put the motion on “THAT the payment of Directors’ fees of RM230,000 for the financial year ending 31 December 2024 be approved” to the meeting for consideration.

The Chairman asked the shareholders whether they had any questions on the said motion. As there was no question, the Chairman then proceeded to the next item on the Agenda.

4. ORDINARY RESOLUTIONS 3, 4, 5 and 6:
RE-ELECTION OF DIRECTORS

The next item on the Agenda was to re-elect Directors of the Company who were due for retirement at this meeting and they, being eligible, had respectively offered themselves for re-election.

4.1 Ordinary Resolution 3: Chiu, Ping-Tung – Clause 77(2)

For Agenda item 4(i), the Chairman informed the shareholders that he being one of the retiring directors under this Agenda, he proposed Ms Siti Haliza Md Taib to be Chairman of the Meeting for this part of the Agenda.

With no objection from the floor, Ms Siti Haliza Md Taib took the chair. She informed the shareholders that Mr Chiu, Ping-Tung retired as a director of the Company in accordance with Clause 77(2) of the Constitution of the Company and he had offered himself for re-election.

She put the motion “THAT Chiu, Ping-Tung retiring pursuant to Clause 77(2) of the Constitution of the Company and who being eligible, be re-elected Director of the Company” to the meeting for consideration.

She asked the shareholders whether they had any questions on the said motion. As there was no question on the said motion, she handed over the Chair back to the Chairman to continue with the rest of the items in this Agenda.

4.2 Ordinary Resolution 4: Huang, Chen-Jung – Clause 77(2)

Agenda item 4(ii), the Chairman put the motion “THAT Huang, Chen-Jung retiring pursuant to Clause 77(2) of the Constitution of the Company and who being eligible, be re-elected Director of the Company” to the meeting for consideration.

The Chairman asked the shareholders whether they had any questions on the said motion. As there was no question on the said motion, the Chairman then proceeded to the next item on the Agenda.

4.3 Ordinary Resolution 5: Lin, Yi-Jane – Clause 79

For Agenda item 4(iii), the Chairman put the motion “THAT Lin, Yi-Jane retiring pursuant to Clause 79 of the Constitution of the Company and who being eligible, be re-elected Director of the Company” to the meeting for consideration.

The Chairman asked the shareholders whether they had any questions on the said motion. As there was no question on the said motion, the Chairman then proceeded to the next item on the Agenda.

4.4 Ordinary Resolution 6: Lee, Chia-Cheng – Clause 79

For Agenda item 4(iv), the Chairman put the motion “THAT Lee, Chia-Cheng retiring pursuant to Clause 79 of the Constitution of the Company and who being eligible, be re-elected Director of the Company” to the meeting for consideration.

The Chairman asked the shareholders whether they had any questions on the said motion. As there was no question on the said motion, the Chairman then proceeded to the next item on the Agenda.

**5. ORDINARY RESOLUTION 7:
RE-APPOINTMENT OF DELOITTE PLT AS AUDITORS OF THE COMPANY**

The next Agenda was on the re-appointment of Messrs. Deloitte PLT as Auditors of the Company.

The shareholders were informed that the Board had assessed the suitability and independence of Messrs. Deloitte PLT as Auditors of the Company for the financial year ending 31 December 2024.

The Chairman put the motion “THAT Deloitte PLT be hereby re-appointed as Auditors of the Company for the financial year ending 31 December 2024 and to authorise the Board of Directors to determine their remuneration” to the meeting for consideration.

Chairman asked the shareholders whether they had any questions on the said motion. As there was no question, the Chairman then proceeded to the next item on the Agenda.

6. **ORDINARY RESOLUTION 8:**
PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“RRPTs”)

The Agenda 6 was to approve the proposed renewal of shareholders’ mandate for recurrent related party transactions of a revenue or trading nature, detail of which were set out in Section 4(a) of the Circular to Shareholders dated 29 April 2024 (“Circular”).

According to the Chairman, the Agenda 6 had been duly read by the shareholders, and the interested major shareholders as stated in Section 10 of the Circular had abstained from voting on this motion. He then put the motion to the meeting for consideration.

The Chairman asked the shareholders whether they had any questions on the said motion. As there was no question, the Chairman then proceeded to the next item on the Agenda.

7. **ANY OTHER MATTERS**

The Chairman informed that the Company had not received any notice to deal with any other business pursuant to the Companies Act 2016.

The Chairman then directed that the poll for resolutions 1 to 8 be taken, and he invited the Polling Agent to brief the polling process to the members for the casting of votes.

After completion of the poll voting, the Chairman adjourned the meeting at 11:31 a.m. for 20 minutes for the counting of votes.

ANNOUNCEMENT OF POLL RESULTS

The Chairman resumed the meeting at 11.55 a.m. for the declaration of the polling results. He informed that he had received the polling results from the Scrutineers and the said results were disclosed in Appendix attached herein.

Based on the poll result, the Chairman declared that all the Ordinary Resolutions 1 to 8 duly carried.

CLOSURE OF MEETING

There being no other business, the meeting was closed at 12:10 p.m. with a vote of thanks to the Chair.

Confirmed as a Correct Record

- *Signed* -

CHAIRMAN

Dated: 10 July 2024

APPENDIX

No.	Resolution(s)	Vote For		Vote Against		Results
		No. of Units	%	No. of Units	%	
1.	<u>Ordinary Resolution 1</u> To approve final single tier dividend of 9.40 sen per share for the financial year ended 31 December 2023	177,822,343	100.0000	0	0.0000	Carried
2.	<u>Ordinary Resolution 2</u> To approve directors' fees and benefits for the financial year ending 31 December 2024	177,822,343	100.0000	0	0.0000	Carried
3.	<u>Ordinary Resolution 3</u> To re-elect Chiu, Ping-Tung – Clause 77(2)	177,523,501	99.8319	298,842	0.1681	Carried
4.	<u>Ordinary Resolution 4</u> To re-elect Huang, Chen-Jung – Clause 77(2)	173,296,310	97.4547	4,526,033	2.5453	Carried
5.	<u>Ordinary Resolution 5</u> To re-elect Lin, Yi-Jane – Clause 79	173,533,610	97.5882	4,288,733	2.4118	Carried
6.	<u>Ordinary Resolution 6</u> To re-elect Lee, Chia-Cheng – Clause 79	173,296,310	97.4547	4,526,033	2.5453	Carried
7.	<u>Ordinary Resolution 7</u> To re-appoint Messrs. Deloitte PLT as auditors of the company for the financial year ending 31 December 2024 and to authorise the Directors to determine their remuneration	177,635,016	99.8947	187,327	0.1053	Carried
8.	<u>Ordinary Resolution 8</u> To approve the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	6,822,343	100.0000	0	0.0000	Carried