

**Malaysia Steel Works (KL) Bhd (“the Company” or “Masteel”)**  
**- Incorporation of a new wholly-owned subsidiary, MS Express Sdn Bhd**

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**1. INTRODUCTION**

Pursuant to Paragraph 9.19(23) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors of the Company wishes to announce that the Company had on 19 April 2017, incorporated a new wholly-owned subsidiary, MS Express Sdn Bhd in Malaysia.

**2. INFORMATION OF MS EXPRESS SDN BHD**

MS Express Sdn Bhd was incorporated on 19 April 2017 with an issued and paid-up share capital of RM2.00 comprising one (1) Ordinary Share. Its intended principal activities are transportation, warehousing and general trading. The Director is Dato’ Sri Tai Hean Leng @ Tek Hean Leng.

**3. FINANCIAL EFFECTS**

The above incorporation will not have any material effect on the earning per share, net assets per share, gearing, share capital and substantial shareholders’ shareholding of the Company and its subsidiary (“the Group”) for the financial year ending 31 December 2017.

**4. RATIONALE**

The said incorporation is in line with the long term strategic plans of the Group.

**5. INTERESTS OF DIRECTORS AND/OR SUBSTANTIAL SHAREHOLDERS AND/OR PERSON CONNECTED TO THEM**

None of the Directors and/or substantial shareholders of the Company, and/or persons connected to such Director and/or substantial shareholders have any interest, direct or indirect, in the said incorporation, except for Dato’ Sri Tai Hean Leng @ Tek Hean Leng, a Director of the Company, who is also a Director of MS Express Sdn Bhd, representing the interest of the Company in MS Express Sdn Bhd.

**6. STATEMENT BY BOARD OF DIRECTORS**

The Board of Directors of the Company is of the opinion that the incorporation of a new wholly-owned subsidiary is in the best interest of the Group.

**7. APPROVAL REQUIRED**

The said incorporation is not subject to the approval of the shareholders of the Company and any other relevant authorities.

This announcement is dated 19 April 2017