



MALAYSIA STEEL WORKS (KL) BHD

www.masteel.com.my
(Company No. 7878-V)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Seventh Annual General Meeting ("AGM") of the Company will be held at Dewan Perdana, Level 2, Convention Centre, Grand BlueWave Hotel Shah Alam, Persiaran Perbandaran, Seksyen 14, 40000 Shah Alam, Selangor on Thursday, 20 June 2019 at 2.00 p.m. to transact the following businesses:-

AGENDA

As Ordinary Business

- 1. To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors thereon. **(Please refer to Note 1 of the Explanatory Notes)**
(Ordinary Resolution 1)
- 2. To approve the Directors' fees up to an aggregate amount of RM159,600.00 for the financial year ending 31 December 2019 and benefits payable to the Directors up to an aggregate amount of RM398,760.00 from 21 June 2019 until the next AGM of the Company and the payment thereof. **(Ordinary Resolution 2)**
- 3. To re-elect the Director, Dato' Sri Tai Hean Leng @ Tek Hean Leng who is retiring pursuant to Clause 96 of the Constitution of the Company. **(Ordinary Resolution 3)**
- 4. To re-elect the Director, Mr Ng Wah Lok who is retiring pursuant to Clause 96 of the Constitution of the Company. **(Ordinary Resolution 4)**
- 5. To re-elect the Director, Mr Ong Teng Chun who is retiring pursuant to Clause 96 of the Constitution of the Company. **(Ordinary Resolution 5)**
- 6. To re-appoint Messrs RSM Malaysia as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 5)**

As Special Business

To consider and, if thought fit, to pass the following resolutions:-

- 7. **Authority for Mr Ng Wah Lok to continue in office as Independent Non-Executive Director** **(Ordinary Resolution 6)**

"THAT authority be and is hereby given to Mr Ng Wah Lok who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM in accordance with the Malaysian Code on Corporate Governance."

- 8. **Authority for Encik Muhammad Hanizam Bin Hj. Borhan to continue in office as Independent Non-Executive Director** **(Ordinary Resolution 7)**

"THAT authority be and is hereby given to Encik Muhammad Hanizam Bin Hj. Borhan who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM in accordance with the Malaysian Code on Corporate Governance."

- 9. **Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares ("Proposed Renewal of Share Buy-Back Mandate")** **(Ordinary Resolution 8)**

"THAT subject to the Companies Act 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to utilise an amount not exceeding the audited retained profits of the Company as at 31 December 2018 of RM427.4 million to purchase such amount of ordinary shares in the Company ("Proposed Share Buy-Back") 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 and expedient in the interest of the Company provided that the aggregate number of shares purchased and/or held pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company;

THAT an amount not exceeding the Company's retained profits be allocated by the Company for the Proposed Share Buy-Back;

THAT authority be and is hereby given to the Directors of the Company to decide at their absolute discretion to either cancel and/or retain the shares so purchased as treasury shares and to deal with such treasury shares in the manner as set out in Section 127(7) of the Act.

THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution and will expire at:-

- (i) the conclusion of the next AGM of the Company (being the Forty-Eighth AGM of the Company), at which time the said authority will lapse unless by an ordinary resolution passed at a general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the Forty-Eighth AGM of the Company is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any);

AND THAT the Directors of the Company be authorised to take all steps necessary to implement, complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Share Buy-Back as may be agreed or allowed by any relevant governmental and/or regulatory authorities (if any)."

- 10. **Proposed Renewal of Authority under Sections 75 and 76 of the Act and the Constitution of the Company for the Directors to allot and issue shares** **(Special Resolution)**

"THAT pursuant to Sections 75 and 76 of the Act and the Constitution of the Company, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and from time to time until the conclusion of the next AGM of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) at the time of issue, subject to the Constitution of the Company and approval of all the relevant regulatory bodies being obtained for such allotment and issue."

- 11. To transact any other business, of which due notice shall have been given in accordance with the Constitution of the Company and the Act.

By Order of the Board,

TAI YIT CHAN (MAICSA 7009143)
TAN AI NING (MAICSA 7015852)
Company Secretaries

Selangor Darul Ehsan
30 April 2019

Notes:-

- 1. A member [other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991] entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote on his (her) behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participate, speak and vote at the meeting of the Company shall have the same rights as the members to speak at the meeting.

- 2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he (she) specifies the proportions of his (her) shareholdings to be represented by each proxy.
- 3. Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- 4. The Proxy Form shall be signed by the appointor or his (her) attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
- 5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a duly notarised certified copy of that power or authority must be deposited to the Company's Share Registrar office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof. Any notice of termination of person's authority to act as a proxy must be forwarded to the Company prior to the commencement of the AGM or adjourned AGM.
- 6. Pursuant to paragraph 8.29A(1) of the MMLR of Bursa Securities, all the resolutions set out in the notice of the AGM will be put to vote by poll.
- 7. In respect of deposited securities, only members whose names appear on the Record of Depositors on 12 June 2019 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the meeting or appoint proxy(ies) to attend, speak and/or vote on his (her) behalf.

Explanatory Notes

- 1. **Audited Financial Statements for the financial year ended 31 December 2018**

Agenda item no. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of shareholders for the audited financial statements. Hence, this item on the Agenda is not put forward for voting.

- 2. **Authority for Mr Ng Wah Lok to continue in office as Independent Non-Executive Director**

In respect of Ordinary Resolution 6, the Board of Directors ("Board") has via the Nomination Committee conducted an evaluation on the re-appointment of Mr Ng Wah Lok who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and recommended him to continue to act as Independent Non-Executive Director of the Company based on the following justifications subject to the approval from the shareholders of the Company:-

- a. He fulfilled the criteria under the definition on Independent Director as stated in the MMLR of Bursa Securities, and therefore is able to bring independent and objective judgment to the Board.
- b. He has contributed sufficient time and effort in attending the Board Committee meetings and Board meetings.
- c. The length of his service on the Board does not in any way interfere with his exercise of independent judgement and ability to act in the best interests of the Company.
- d. As he has been with the Company for more than nine (9) years, he therefore understands the Company's business operations which enable him to participate actively and contribute during deliberations or discussions at Board Committee meetings and Board meetings without compromising his independence and objective judgement.
- e. He has exercised his due care during his tenure as Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and shareholders.

- 3. **Authority for Encik Muhammad Hanizam Bin Hj. Borhan to continue in office as Independent Non-Executive Director**

In respect of Ordinary Resolution 7, the Board has via the Nomination Committee conducted an evaluation on the re-appointment of Encik Muhammad Hanizam Bin Hj. Borhan who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and recommended him to continue to act as Independent Non-Executive Director of the Company based on the following justifications subject to the approval from the shareholders of the Company:-

- a. He fulfilled the criteria under the definition on Independent Director as stated in the MMLR of Bursa Securities, and therefore is able to bring independent and objective judgment to the Board.
- b. He has contributed sufficient time and effort in attending the Board Committee meetings and Board meetings.
- c. The length of his service on the Board does not in any way interfere with his exercise of independent judgement and ability to act in the best interests of the Company.
- d. As he has been with the Company for more than nine (9) years, he therefore understands the Company's business operations which enable him to participate actively and contribute during deliberations or discussions at Board Committee meetings and Board meetings without compromising his independence and objective judgement.
- e. He has exercised his due care during his tenure as Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and shareholders.

- 4. **Proposed Renewal of Share Buy-Back Mandate**

Ordinary Resolution 8 proposed under item 9 of the Agenda, if passed, will give the Directors of the Company the authority to take all such steps as are necessary or expedient to implement, finalise, complete and/or to effect the purchase(s) of ordinary shares by the Company as the Directors may deem fit and expedient in the best interest of the Company. The authority will, unless revoked or varied by the Company in general meeting, continue to be in force until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM of the Company following the Forty-Seventh AGM is required by law to be held.

Please refer to the Statement to Shareholders dated 30 April 2019 for further information.

- 5. **Proposed Renewal of Authority under Sections 75 and 76 of the Act and the Constitution of the Company for the Directors to allot and issue shares**

The Company had, during its Forty-Sixth AGM held on 21 June 2018, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Sections 75 and 76 of the Act. As at the date of this notice, the Company did not issue any shares pursuant to this mandate obtained.

Special Resolution proposed under item 10 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act and the Constitution of the Company. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total 10% of the total number of issued shares (excluding treasury shares) of the Company for such purposes as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purposes of funding investment project(s), working capital and/or acquisition.

Personal Data Privacy:-

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.