

MALAYSIA STEEL WORKS (KL) BHD - REVALUATION OF PROPERTIES

1. INTRODUCTION

The Board of Directors of Malaysia Steel Works (KL) Bhd (“Masteel” or the “Company”) is pleased to announce that the Board had on 21 November 2019 approved the incorporation of the net gain arising from the fair value adjustment of the Properties as listed below (“the Properties”) to the financial statements of Masteel as at 30 September 2019.

2. PURPOSE OF REVALUATION

The main purpose of the revaluation exercise was to update the land fair value/market value for financial reporting purpose.

3. AMOUNT OF INCREASE IN VALUE

The total net gain arising from fair value adjustment of the Properties was RM76,648,911.84.

4. EFFECTS OF VALUATION

The recognition of the net gain arising from fair value adjustment of the Properties will increase the net assets per share of Masteel by 18 sen for the financial year-to-date ended 30 September 2019.

5. DETAILS OF THE VALUATIONS

The details of the valuation are set out as below:

Property	Location of Properties	Valuer	Date of Valuation	Valuation at 30.09.2019 (RM'000)	Net Book Value at 30.09.2019 (RM'000)	Surplus/(Deficit) RM'000
Leasehold Industrial Land	Lot P.T. 29C Seksyen 28, H.S.(D) 161066, Bandar Petaling Jaya, District of Petaling, Selangor Darul Ehsan	City Valuers and Consultants Sdn Bhd	30 September 2019	20,940	8,129	12,811
Leasehold Industrial Land	Lot P.T. 29B Seksyen 28, H.S.(D) 161067, Bandar Petaling Jaya, District of Petaling, Selangor Darul Ehsan	City Valuers and Consultants Sdn Bhd	30 September 2019	17,670	7,336	10,334
Leasehold Industrial Land	Lot 48213, PN 98729, Mukim of Kapar, District of Klang, Selangor Darul Ehsan	City Valuers and Consultants Sdn Bhd	30 September 2019	101,870	48,411	53,459
Freehold detached house	Lot 3780, GRN 33304, Mukim of Pasir Panjang, District of Port Dickson, Negeri Sembilan Darul Khusus	City Valuers and Consultants Sdn Bhd	30 September 2019	110	65	45

The Properties have been revalued in September 2019 and the net revaluation surplus has been incorporation in the Q3 2019 financial statements. For details, refer to Note A10 in the Interim Financial Report for the third quarter ended 30 September 2019.

6. DOCUMENTS AVAILABLE FOR INSPECTION

The valuation reports may be inspected at the registered office of Masteel at Unit B-05-3A, 5th Floor, Block B (West Wing), PJ8 Office Suite, No. 23, Jalan Barat, Seksyen 8, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia from Monday to Friday (except public holidays) during normal business hours for a period of 3 months from the date of this announcement.