

PERUSAHAAN SADUR TIMAH MALAYSIA (PERSTIMA) BERHAD
(Company No. 49971-D)

MINUTES OF THE THIRTY-EIGHTH ANNUAL GENERAL MEETING OF THE
COMPANY HELD AT DEWAN BERJAYA, BUKIT KIARA EQUESTRIAN &
COUNTRY RESORT, JALAN BUKIT KIARA, OFF JALAN DAMANSARA,
60000 KUALA LUMPUR ON THURSDAY, 28 JULY 2016 AT 11.30 A.M..

PRESENT

DIRECTORS

Dato' Wee Hoe Soon @ Gooi Hoe Soon	: Chairman
Mr Koichi Sawada	: <i>(Also Shareholder)</i>
Ms Tan Siew Chu	: <i>(Also Shareholder)</i>
En Yusuf bin Jamil	
Mr Rin Nan Yoong	: <i>(Also Shareholder)</i>
Mr Hiroshi Sumino	: <i>(Also Shareholder)</i>
Ms Ranko Kume	

SHAREHOLDERS AND PROXIES

As per the Attendance Lists marked as Appendix I

IN ATTENDANCE

Ms Chan Su San - Company Secretary

BY INVITATION

As per Attendance List marked as Appendix II

CHAIRMAN

Dato' Wee Hoe Soon @ Gooi Hoe Soon chaired the Meeting and welcomed all members to the Thirty-Eighth Annual General Meeting ("38th AGM") of the Company.

The Chairman introduced the members of the Board of Directors to the shareholders of the Company.

QUORUM

The Secretary confirmed that a quorum was present.

NOTICE OF ANNUAL GENERAL MEETING

The Notice of 38th AGM having been circulated within the stipulated time frame was taken as read.

FOR DISCUSSION

- AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

The Audited Financial Statements of the Company for the financial year ended 31 March 2016 together with the Directors' and Auditors' Reports thereon having been circulated to all the shareholders of the Company within the statutory period were taken as read.

The Chairman informed the meeting that this item in the agenda was meant for discussion. It would not be put to vote by shareholders as it did not require approval from the shareholders of the Company.

The Chairman invited questions from the floor. The questions from the Members/Proxies and replies were set out in Annexure A attached.

After dealing with all the questions, the Audited Financial Statements of the Company for the financial year ended 31 March 2016 was taken as having been received.

RESOLUTIONS TO BE VOTED BY POLL

At this juncture, the Chairman informed the members on the requirement for all resolutions set out in the Notice of the AGM to be voted by poll. Pursuant to the Articles of Association of the Company, the Chairman demanded for a poll to be taken on all the resolutions set forth in the Notice of the AGM. The poll shall be taken in such manner as the Chairman directs. The Chairman further informed that the Meeting shall go through all the resolutions. After the last resolution has been tabled, the Meeting shall then proceed with the polling procedure. At the request of the Chairman, the Secretary briefed all present on the polling procedure.

Boardroom Business Solution Sdn Bhd has been appointed as Scrutineers to facilitate the polling process and Mr Khaw Teik Thye of Boardroom Business Solution Sdn Bhd identified himself to the meeting.

No Members/Proxies volunteered to witness the locking of the ballot boxes.

The Chairman then proceeded with the resolutions set out in the Agenda.

1. RESOLUTION 1

RE-ELECTION OF DIRECTOR RETIRING PURSUANT TO ARTICLE 93 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY

- TAN SIEW CHU

The Chairman informed the Meeting that the first resolution on the Agenda was the re-election of Ms Tan Siew Chu as a Director retiring pursuant to Article 93 of the Articles of Association of the Company and being eligible, offered herself for re-election.

Mr Pang Heng Hoe proposed and Mr Lim San Kim seconded that the retiring Director, Ms Tan Siew Chu be and is hereby re-elected as Director of the Company.

The Members/Proxies were requested to indicate their vote on the polling form in respect of Ordinary Resolution 1 and retain the form for the next resolution.

2. RESOLUTION 2

RE-ELECTION OF DIRECTOR RETIRING PURSUANT TO ARTICLE 93 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY

- RANKO KUME

The second resolution on the Agenda was the re-election of Ms Ranko Kume as a Director retiring pursuant to Article 93 of the Articles of Association of the Company and being eligible, offered herself for re-election.

Mr Lee Tuck Feong proposed and Mr Ng Kim Eng seconded that the retiring Director, Ms Ranko Kume be and is hereby re-elected as Director of the Company.

The Members/Proxies were requested to indicate their vote on the polling form in respect of Ordinary Resolution 2 and retain the form for the next resolution.

3. RESOLUTION 3

RE-APPOINTMENT OF DIRECTOR ATTAINING AGE OF SEVENTY YEARS PURSUANT TO SECTION 129 OF THE COMPANIES ACT, 1965

- HIROSHI SUMINO

The Chairman informed that pursuant to Section 129 of the Companies Act, 1965, Mr Hiroshi Sumino who has attained the age of seventy years was to vacate office at the Annual General Meeting. Mr Hiroshi Sumino has indicated his willingness to be re-appointed as Director of the Company.

Mr Lee Tuck Feong proposed and Mr Pang Heng Hoe seconded that Mr Hiroshi Sumino, retiring pursuant to Section 129 of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company to hold office until the next Annual General Meeting.

The Members/Proxies were requested to indicate their vote on the polling form in respect of Ordinary Resolution 3 and retain the form for the next resolution.

4. RESOLUTION 4
DIRECTORS' FEES OF RM611,000 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

Ms Cheng Mooi Hwa proposed and Mr Pang Heng Hoe seconded that the Directors' Fees of RM611,000.00 for the financial year ended 31 March 2016 be and is hereby approved for payment to the Directors.

The Members/Proxies were requested to indicate their vote on the polling form in respect of Ordinary Resolution 4 and retain the form for the next resolution.

5. RESOLUTION 5
FINAL SINGLE TIER DIVIDEND OF 20 SEN PER ORDINARY SHARE OF RM1.00 EACH

Mr Lim San Kim proposed and En Nordin Yahaya seconded that a final single tier dividend of 20 Sen per Ordinary Share of RM1.00 each be and is hereby approved.

The Members/Proxies were requested to indicate their vote on the polling form in respect of Ordinary Resolution 5 and retain the form for the next resolution.

6. RESOLUTION 6
RE-APPOINTMENT OF AUDITORS

Mr Lim San Kim proposed and Mr Ng Kim Eng seconded that the retiring Auditors, Messrs KPMG having indicated their willingness to continue in office, be and are hereby re-appointed as Auditors of the Company for the ensuing year until the conclusion of the next Annual General Meeting of the Company and that the Directors be authorised to fix their remuneration.

The Members/Proxies were requested to indicate their vote on the polling form in respect of Ordinary Resolution 6 and retain the form for the next resolution.

7. RESOLUTION 7

RENEWAL OF SHAREHOLDERS' MANDATE FOR PERUSAHAAN SADUR TIMAH MALAYSIA (PERSTIMA) BERHAD AND ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("SHAREHOLDERS' MANDATE")

The Chairman drew the attention of the members that the Company was seeking approval from the shareholders to renew the Shareholders' Mandate for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature necessary for day-to-day operations as set out in the Circular to Shareholders dated 1 July 2016 ("Circular").

The Chairman reminded that the major shareholders, namely JFE Shoji Trade Corporation and JFE Steel Corporation and persons connected to them, being interested parties to the resolution to abstain from all deliberations and voting on the proposed resolution to be tabled.

Ms Lim San Kim proposed and Mr Ng Kim Eng seconded that pursuant to Paragraph 10.09 Part E of Bursa Malaysia Securities Berhad Main Market Listing Requirements, the Company and its subsidiaries ("Perstima Group") be authorised to enter into any of the recurrent transactions of a revenue or trading nature as set out in Section 3.2 of the Circular with the related parties mentioned therein which are necessary for the Perstima Group's day-to-day operations.

The Members/Proxies were requested to indicate their vote on the polling form in respect of Ordinary Resolution 7.

POLLING PROCESS

After all the Ordinary Resolutions have been tabled to the Meeting, the Chairman requested the Secretary to brief on the polling process. The Secretary informed all members/proxies to complete the polling form correctly and to sign on the polling form. The polling forms are to be deposited into the ballot boxes. It would take some time to tabulate the results of the poll and the outcome of the poll would be announced after a break of about one (1) hour. The Secretary then invited two (2) Members/Proxies from the floor to volunteer to witness the counting of the polling forms. The proxies, En Rahizan Khalid and En Shariffudin bin Zakaria, volunteered to witness the counting of the polling forms.

The Chairman then adjourned the Meeting at 12.30 p.m. for the Scrutineers to tabulate the results of the poll on all the Ordinary Resolutions. The Meeting resumed at 1.10 p.m. for the declaration of the results of the poll.

ANNOUNCEMENT OF POLL RESULTS FOR ORDINARY RESOLUTIONS

The Chairman read the results of the poll as follows:-

Ordinary Resolution 1	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Re-election of Ms Tan Siew Chu as Director</i>	57,333,141	100.00%	0	0.00%	57,333,141	100.00%

The Chairman declared that Ordinary Resolution 1 was unanimously carried. Accordingly, it was unanimously RESOLVED:-

“That the retiring Director, Ms Tan Siew Chu, be and is hereby re-elected as Director of the Company.”

Ordinary Resolution 2	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Re-election of Ms Ranko Kume as Director</i>	57,333,141	100.00%	0	0.00%	57,333,141	100.00%

The Chairman declared that Ordinary Resolution 2 was unanimously carried. Accordingly, it was unanimously RESOLVED:-

“That the retiring Director, Ms Ranko Kume be and is hereby re-elected as Director of the Company.”

Ordinary Resolution 3	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Re-appointment of Mr Hiroshi Sumino as Director- Section 129 of the Companies Act, 1965</i>	57,333,141	100.00%	0	0.00%	57,333,141	100.00%

The Chairman declared that Ordinary Resolution 3 was unanimously carried. Accordingly, it was unanimously RESOLVED:-

“That Mr Hiroshi Sumino, retiring pursuant to Section 129 of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company to hold office until the next Annual General Meeting.”

- Minutes of the 38th AGM held on 28 July 2016

Ordinary Resolution 4	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Approval of payment of Directors' Fees for the financial year ended 31 March 2016</i>	57,332,941	100.00%	0	0.00%	57,332,941	100.00%

The Chairman declared that Ordinary Resolution 4 was unanimously carried. Accordingly, it was unanimously RESOLVED:-

“That the Directors’ Fees of RM611,000.00 for the financial year ended 31 March 2016 be and is hereby approved for payment to the Directors.”

Ordinary Resolution 5	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Approval of a final single tier dividend of 20 Sen per Ordinary Share of RM1.00 each</i>	57,333,141	100.00%	0	0.00%	57,333,141	100.00%

The Chairman declared that Ordinary Resolution 5 was unanimously carried. Accordingly, it was unanimously RESOLVED:-

“That a final single tier dividend of 20 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 March 2016 be and is hereby approved for payment on 18 August 2016 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 5 August 2016.”

Ordinary Resolution 6	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Re-appointment of Messrs KPMG as auditors of the Company and authorise the Directors to fix the Auditors' remuneration</i>	57,333,141	100.00%	0	0.00%	57,333,141	100.00%

The Chairman declared that Ordinary Resolution 6 was unanimously carried. Accordingly, it was unanimously RESOLVED:-

“That the retiring Auditors, Messrs KPMG having indicated their willingness to continue in office, be and are hereby re-appointed as the Auditors of the Company for the ensuing year and to hold office until the conclusion of the next Annual General Meeting of the Company and that the Directors be authorised to fix their remuneration.”

Ordinary Resolution 7	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature</i>	43,481,141	100.00%	0	0.00%	43,481,141	100.00%

The Chairman declared that Ordinary Resolution 7 was unanimously carried. Accordingly, it was unanimously RESOLVED:-

“THAT, pursuant to Paragraph 10.09 Part E of Bursa Malaysia Securities Berhad Main Market Listing Requirements, the Company and its subsidiaries (“Perstima Group”) be and are hereby authorised to enter into any of the recurrent transactions of a revenue or trading nature as set out in Section 3.2 of the Circular to Shareholders dated 1 July 2016 with the related parties mentioned therein which are necessary for the Perstima Group’s day-to-day operations, subject further to the following:

- (i) the transactions are in the ordinary course of business on normal commercial terms and 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; and
- (ii) disclosure of the aggregate value of the transactions of the Shareholders’ Mandate conducted during the financial year will be disclosed in the Annual Report for the said financial year,

THAT such approval shall continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time it will lapse, unless by a resolution passed at the Meeting, the authority is renewed;
 - (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (“the Act”) (but shall not extend to such extensions as may be allowed pursuant to Section 143(2) of the Act); or
 - (iii) revoked or varied by the Company in a general meeting,
- whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Shareholders’ Mandate.”

TERMINATION

There being no other matters, the Meeting concluded at 1.20 p.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

CHAIRMAN

PERUSAHAAN SADUR TIMAH MALAYSIA (PERSTIMA) BERHAD
(Company No. 49971-D)

QUESTIONS AND ANSWERS (“Q&A”) SESSION DURING THE THIRTY-EIGHTH ANNUAL GENERAL MEETING (“AGM”) OF THE COMPANY HELD AT DEWAN BERJAYA, BUKIT KIARA EQUESTRIAN & COUNTRY RESORT, JALAN BUKIT KIARA, OFF JALAN DAMANSARA, 60000 KUALA LUMPUR, MALAYSIA ON THURSDAY, 28 JULY 2016 AT 11.30 A.M.

QUESTIONS AND ANSWERS (“Q&A”) SESSION AND STATEMENT (“S”) MADE DURING THE AGM

Mr Wan Heng Wah (Shareholder) Q: The revenue and profit before tax of the Company has grown mainly attributable to increase in sales volume despite falling prices. Would this trend of increasing sales volume continue to drive growth and would prices continue to weaken because of competition?

Chairman A: The Board has been pushing the Management to monitor sales on both volume and pricing. Sales volume has increased but the price of raw materials is beyond the control of the Company. Therefore, the Company would continue to drive sales volume while closely monitoring the prices of raw materials.

Mr Wan Heng Wah (Shareholder) Q: Imports from China seem to pose a challenge to the Company. What are the reasons for revenue growth to be driven by volume?

Chairman A: By obtaining a stable supply of raw materials from Japan, the Management has dealt with the pricing issue effectively.

Mr Wan Heng Wah (Shareholder) Q: Is there any way to appeal to the Ministry of International Trade and Industry (“MITI”) for countervailing duties?

Chairman A: The Company has been very active in advocating with MITI for such countervailing activities but MITI also has other factors to consider.

Dato’ See Teow Guan (Dato’ Anthony See) (Shareholder) S: It is difficult to acquire additional shares of the Company as it is not liquid enough. I would like to suggest to the Board to make the shares more marketable through bonus issue or share split.

There have been no media reports on the Company’s forecast or new projects. There is no briefing with analysts, investor relations, fund managers or reporters, making it difficult for the public to be aware of Perstima.

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| Chairman | <p>A: Bonus issue of shares and other corporate exercises have been discussed at Board of Directors' Meeting.</p> <p>There was a need to look into the pros and cons of such exercises. If there are any exercises, shareholders would be notified accordingly.</p> <p>It is important for the Company to maintain a balance on disclosures to the media or fund managers as the Company is guided by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p> <p>Companies would normally engage the media when there are corporate exercises.</p> <p>The investor relations area would be looked into and discussed at Board of Directors' Meeting.</p> |
| Mr Woo Kai Hung
(Shareholder) | <p>Q: When will the Company announce the first quarterly results for the financial year ending 31 March 2017 ("Q1 2017") and what is the impact of the fire incident in Vietnam on the Q1 2017?</p> |
| Chairman | <p>A: The Q1 2017 results would be announced on 28 July 2016 after 5.00 p.m.</p> <p>The Management has done a commendable job in managing timely disclosures and announcements in relation to the fire incident. The Management has also been diligently managing the production operations of the Vietnam factory since the incident. The impact of the fire incident has been minimal. In fact, production volume has increased.</p> <p>The Company would continue to ensure that timely disclosures are made as and when information is made available.</p> |
| Mr Woo Kai Hung
(Shareholder) | <p>Q: Referring to page 32 of the annual report 2016, could you elaborate on the changes in inventories?</p> |
| Ms Tan Siew Chu | <p>A: Stocks are currently at a lower level due to the timing of deliveries of raw materials. The level of stock of raw materials is constantly monitored. Stock levels are maintained for approximately two months to meet the delivery timing.</p> |
| Mr Lee Ah Kow @
Lee Kam Chong
(Shareholder) | <p>Q: Does the strengthening of the Japanese Yen have any impact on the cost of production of the Company?</p> <p>The cash position of the Company is increasing. Are there any plans to declare further dividends?</p> |

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| Chairman | A: The strengthening of the Japanese Yen should not have a material impact as transactions are mainly in US Dollar and Ringgit Malaysia. |
| Chairman | <p>A: There is a need to look at operations and capital expenditure requirement before deciding on the utilization of the cash reserves.</p> <p>With regard to further dividends, the Board would look into formulating a dividend policy and this would be discussed at Board of Directors' Meetings.</p> |
| Mr Ng Aik Pheng
(Shareholder) | <p>Q: What is the Company's view on the dumping of steel by China and how would this affect the Company?</p> <p>The Group currently has two plants, one in Malaysia and another in Vietnam. Do you think the Vietnam plant's consumption would increase as a result of the development of the Group?</p> |
| Chairman | <p>A: The supplies of tinplate and steel from Japan are consistent and of good quality. Therefore, we do not foresee any material impact in the long term.</p> <p>The Management takes cognisance of the age of the plant in Vietnam. To increase the operational capacity of the plant, a portion of reserves has been allocated for capital expenditure.</p> |
| Mr Ng Aik Pheng
(Shareholder) | Q: What is the basis for determining the dividend policy of the Company? |
| Chairman | A: The dividend policy would be based on the Company's ability to reward loyal shareholders. |
| Mr Ng Aik Pheng
(Shareholder) | Q: What are the proportions of tin and steel in tinplate products? |
| Ms Tan Siew Chu | A: Tinplate products of the Company comprised 10% tin and 90% steel. |
| Mr Ng Aik Pheng
(Shareholder) | Q: Is the Company working with vendors on the canning of durians, tuna or pineapple products? |
| Chairman | A: Your suggestion is noted and would be discussed with the Management of the Company. |
| Mr Lee Tuck Feong
(Shareholder) | Q: Who controls Versalite Sdn Bhd, a substantial shareholder of the Company? |
| Chairman | A: Versalite Sdn Bhd is jointly controlled by Mr Hiroshi Kume and Mr Rin Nan Yoong. You may refer to Page 68 of the annual report 2016 for further details. |

Mr Ng Aik Pheng
(Shareholder)

S: Please provide a breakdown on the kind of products that use the cans produced by the Company.

Ms Tan Siew Chu

A: The cans are mainly used for processed food such as powdered milk and condensed milk. This forms a major part of the sales of the Company.