

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

MINUTES OF THE THIRTY-NINTH 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 MONDAY, 31 JULY 2017 AT 11.30 A.M.

PRESENT

DIRECTORS

Dato' Wee Hoe Soon @ Gooi Hoe Soon	: Chairman
Mr Hiroaki Yano	: Managing Director
Ms Tan Siew Chu	: <i>(Also Shareholder)</i>
Mr Rin Nan Yoong	: <i>(Also Shareholder)</i>
Mr Hiroshi Sumino	: <i>(Also Shareholder)</i>
Ms Ranko Kume	
Mr Dominic Aw Kian-Wee	
Pn Mastura Binti Mansor	

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-Ninth Annual General Meeting ("39th 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 39th 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 2017

The Audited Financial Statements of the Company for the financial year ended 31 March 2017 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 2017 was taken as having been received and tabled.

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 Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the Meeting must be voted by poll. The poll shall be taken in such manner as the Chairman directs.

Symphony Corporatehouse Sdn Bhd has been appointed as Scrutineers to facilitate the polling process and Pn Zuriati Yaacob of Symphony Corporatehouse Sdn Bhd identified himself to the meeting.

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.

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

1. RESOLUTION 1

RE-ELECTION OF MR DOMINIC AW-KIAN WEE AS DIRECTOR

The first resolution on the Agenda was the re-election of Mr Dominic Aw Kian-Wee as a Director of the Company and being eligible, offered himself for re-election.

Mr Pang Heng Hoe proposed and Mr Wong Chong Hai seconded that the retiring Director, Mr Dominic Aw-Kian Wee be and is hereby re-elected as Director of the Company.

2. RESOLUTION 2

RE-ELECTION OF PN MASTURA BINTI MANSOR AS DIRECTOR

The next resolution on the Agenda was the re-election of Pn Mastura Binti Mansor as a Director of the Company and being eligible, offered herself for re-election.

Mr Pang See Hing proposed and Mr Lee Tuck Feong seconded that the retiring Director, Pn Mastura Binti Mansor be and is hereby re-elected as Director of the Company.

3. RESOLUTION 3

RE-ELECTION OF MR HIROAKI YANO AS DIRECTOR

The Chairman informed the Meeting that the third resolution on the Agenda was the re-election of Mr Hiroaki Yano as a Director of the Company and being eligible, offered himself for re-election.

Mr Pang Heng Hoe proposed and Mr Wong Chong Hai seconded that the retiring Director, Mr Hiroaki Yano be and is hereby re-elected as Director of the Company.

4. RESOLUTION 4
RE-ELECTION OF DATO' WEE HOE SOON @ GOOI HOE SOON AS DIRECTOR

The Chairman handed over the Chair to Mr Hiroaki Yano for this resolution.

The fourth resolution on the Agenda was the re-election of Dato' Wee Hoe Soon @ Gooi Hoe Soon as a Director of the Company and being eligible, offered himself for re-election.

Mr Wan Heng Wah proposed and Mr Wong Chong Hai seconded that the retiring Director, Dato' Wee Hoe Soon @ Gooi Hoe Soon be and is hereby re-elected as Director of the Company.

Mr Hiroaki Yano then handed the Chair back to the Chairman to continue with the rest of the proceedings of the meeting.

5. RESOLUTION 5
RE-ELECTION OF MR HIROSHI SUMINO AS DIRECTOR

The next resolution on the Agenda was the re-election of Mr Hiroshi Sumino as a Director of the Company and being eligible, offered himself for re-election.

Mr Pang Heng Hoe proposed and Mr Pang See Hing seconded that the retiring Director, Mr Hiroshi Sumino be and is hereby re-elected as Director of the Company.

6. RESOLUTION 6
DIRECTORS' FEES OF RM615,000 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

Mr Lee Tuck Feong proposed and Mr Pang Heng Hoe seconded that the Directors' Fees of RM615,000.00 for the financial year ended 31 March 2017 be and is hereby approved for payment to the Directors.

7. RESOLUTION 7
FINAL SINGLE TIER DIVIDEND OF 20.0 SEN PER ORDINARY SHARE

Mr Pang See Hing proposed and Mr Lee Tuck Feong seconded that a final single tier dividend of 20.0 sen per ordinary share be and is hereby approved.

8. RESOLUTION 8
RE-APPOINTMENT OF AUDITORS

Mr Pang Heng Hoe proposed and Mr Lee Tuck Feong seconded that the retiring Auditors, Messrs KPMG PLT 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.

9. RESOLUTION 9
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 6 July 2017 ("Circular").

The Chairman reminded 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.

Mr Lew Tuck Wai enquired on managing the risk of relying on one supplier from Japan. Ms Tan responded that the quality of products from this supplier met with the requirements of the Company.

Ms Lew Tuck Wai proposed and Mr Pang Heng Hoe 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.

POLLING PROCESS

After all the Ordinary Resolutions have been tabled to the Meeting, the Chairman directed that the registration of the shareholders and proxies for the meeting be closed and proceed with the polling process. The Chairman informed that the poll would be conducted electronically and requested En Aznal bin Abd Majid, the representative from Symphony Share Registrars Sdn Bhd, Poll Administrator, to brief on the polling process.

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The Chairman informed that the conduct of polling by the shareholders and the validation of the votes cast by the Scrutineers will take about twenty minutes to complete. Representatives from Symphony Share Registrars Sdn Bhd, the Poll Administrators, and Symphony Corporate House Sdn Bhd, the Scrutineers, were invited to commence the polling process

The Chairman then adjourned the Meeting at 12.15 p.m. for the Scrutineers to tabulate the results of the poll on all the Ordinary Resolutions. The Meeting resumed at 12.30 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 Mr Dominic Aw-Kian Wee as Director</i>	68,549,355	100%	0	0%	68,549,355	100%

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

“That the retiring Director, Mr Dominic Aw-Kian Wee, 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 Pn Mastura Binti Mansor as Director</i>	68,549,255	99.9999%	100	0.0001%	68,549,355	100%

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

“That the retiring Director, Pn Mastura Binti Mansor be and is hereby re-elected as Director of the Company.”

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Ordinary Resolution 3	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Re-election of Mr Hiroaki Yano as Director</i>	68,549,255	99.9999%	100	0.0001%	68,549,355	100%

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

“That the retiring Director, Mr Hiroaki Yano, be and is hereby re-elected as Director of the Company.”

Ordinary Resolution 4	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Re-election of Dato' Wee Hoe Soon @ Gooi Hoe Soon as Director</i>	68,549,255	99.9999%	100	0.0001%	68,549,355	100%

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

“That the retiring Director, Dato' Wee Hoe Soon @ Gooi Hoe Soon, be and is hereby re-elected as Director of the Company.”

Ordinary Resolution 5	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Re-election of Mr Hiroshi Sumino as Director</i>	68,549,255	99.9999%	100	0.0001%	68,549,355	100%

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

“That the retiring Director, Mr Hiroshi Sumino, be and is hereby re-elected as Director of the Company.”

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Ordinary Resolution 6	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Approval of payment of Directors' Fees for the financial year ended 31 March 2017</i>	68,549,355	100%	0	0%	68,549,355	100%

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

“That the Directors’ Fees of RM615,000.00 for the financial year ended 31 March 2017 be and is hereby approved for payment to the Directors.”

Ordinary Resolution 7	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Approval of a final single tier dividend of 20.0 sen per ordinary share</i>	68,549,355	100%	0	0%	68,549,355	100%

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

“That a final single tier dividend of 20 sen per ordinary share in respect of the financial year ended 31 March 2017 be and is hereby approved for payment on 25 August 2017 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 8 August 2017.”

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Ordinary Resolution 8	FOR		AGAINST		Total no. of Votes	
	Shares	%	Shares	%	Shares	%
<i>Re-appointment of Messrs KPMG PLT as auditors of the Company and authorise the Directors to fix the Auditors' remuneration</i>	68,549,255	99.9999%	100	0.0001%	68,549,355	100%

The Chairman declared that Ordinary Resolution 8 was approved. Accordingly, it was RESOLVED:-

“That the retiring Auditors, Messrs KPMG PLT 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 9	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>	43,547,255	99.9998%	100	0.0002%	43,547,355	100.00%

The Chairman declared that Ordinary Resolution 9 was approved. Accordingly, it was 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 6 July 2017 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

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- (ii) disclosure of the aggregate value of the transactions of the Proposed 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 340(2) of the Companies Act 2016 ("the Act") (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) 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 Proposed Shareholders' Mandate."

TERMINATION

There being no other matters, the Meeting concluded at 12.35 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-NINTH 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 MONDAY, 31 JULY 2017 AT 11.30 A.M.

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

Mr Wong Chong Hai (Shareholder) Q: Please explain on the reason for the high level of inventory of raw materials. What is the normal inventory level?

The revenue and profit of plant in Vietnam was not encouraging. Is it expected to recover?

Chairman A: The level of inventory of raw materials was planned by the Company.

The plant in Vietnam (“Vietnam plant”) was affected by the fire incident and has resumed normal operations.

Ms Tan Siew Chu (Executive Director) (“Ms Tan”) A: The high inventory level was attributable to higher price of raw materials during end of the year and to cater for the needs of the high turnover.

It is the Company’s policy to maintain the inventory level for 1.5 months.

Mr Lew Tuck Wai (Shareholder) Q: Was the high property, plant and equipment (“PPE”) incurred last year for the plant in Malaysia or Vietnam?

Is the fire incident the cause of the decreased revenue generated from Vietnam plant and has normal operations resumed?

Would the performance of last year be maintained? Is the Company affected by the pricing of steel products from China market?

Would the revamping project improve the performance of the Vietnam plant?

- Ms Tan A: The Vietnam plant has undergone a revamping project with some minor impairment.
- The revamping project has just been completed in March 2017 and there is improvement in quality.
- Mr Lew Tuck Wai (Shareholder) Q: The CAPEX incurred for last year did not contribute towards increased capacity.
- Ms Tan A: The revamping project was mainly to improve the quality of production.
- Chairman A: Performance of the Vietnam plant was affected by the fire incident but normal operations have resumed.
- The Board is currently looking into expansion to other markets, such as Iran and the Philippines but would explore with caution.
- The excess supply of steel from China and Korea has affected the Malaysia market. However, the Management has taken appropriate measures in managing the dumping issues and the efficiency of the Company remained excellent.
- Mr Wan Heng Wah (Shareholder) Q: Could the Company appeal to the Ministry of International Trade and Industry ("MITI") on the issue of dumping?
- Is there any other form of protection against the dumping activities?
- Does the Company have an existing dividend policy? The Company should be guided by a dividend policy.
- Chairman A: In relation to the dumping issues, MITI would no longer impose tariff on the import of steel. The tax imposed on the imported steels is limited to 5% only on selective import countries i.e. China and Korea. The Company is trying to improve its performance through cost efficiency.
- With regard to dividend, the Company does not have a formal dividend policy. The Board would look into the need to formulate a dividend policy and this would be discussed at Board of Directors' Meetings. Meanwhile, the Company would continue to pay dividends as long as there are profits.

- Mr Lew Tuck Wai (Shareholder) Q: How has the price of tin been managed, with the declining supply?
- Chairman A: The price of the TMBP has increased and price of steel is market driven.
- Mr Wong Chong Hai (Shareholder) Q: Which material pricing is more significant, steel or tin?
- Chairman A: Both are volatile, but the Management is doing its best to manage it.
- Mr Foong Wai Mun (Proxy) Q: What is the rate of utilisation of the plant in Malaysia and Vietnam?
- There was a huge increase in last year's CAPEX. Has the selling price increased with the improved quality?
- Does the current competitive environment favour higher quality product? Which industries use the products of the Company?
- Ms Tan A: The utilisation of the plant in Malaysia is between 80% to 90% whilst the Vietnam plant recorded at 60%.
- Chairman A: The selling price has not increased much due to the competitive environment but is being well-managed by the Management. The products of the Company are of high quality and are mainly used for food products and beverage.
- Mr Wong Chong Hai (Shareholder) Q: What is the demand for TFS compared with normal tinplate?
- Ms Tan A: Notwithstanding the fluctuation of supply of products in Vietnam, TFS contributed 50% of the supply.