

PERUSAHAAN SADUR TIMAH MALAYSIA (PERSTIMA) BERHAD
(Registration No. 197901005687 (49971-D))

MINUTES OF THE FORTY-EIGHTH ANNUAL GENERAL MEETING (“**AGM**”) OF THE COMPANY HELD AT CORPORATE MEETINGS BY ENVIVO, GROUND FLOOR, LOBBY 1, CRYSTAL PLAZA, NO. 4, JALAN 51A/223, 46100 PETALING JAYA, SELANGOR, MALAYSIA ON THURSDAY, 27 AUGUST 2026 AT 2:30 P.M

PRESENT:-

DIRECTORS

Mr Dominic Aw Kian-Wee

- Chairman and Independent Non-Executive Director

Mr Kazumi Saito

- Group Managing Director (“**GMD**”)

Ms Ranko Kume

- Executive Director (“**ED**”)

Mr Lim Poh Seong

- Senior Independent Non-Executive Director

Pn Mastura binti Mansor

- Independent Non-Executive Director

En Ab. Patah bin Mohd

- Independent Non-Executive Director and also a shareholder

ABSENT WITH APOLOGIES

Mr Rin Nan Yoong

- Non-Independent Non-Executive Director and also a shareholder

IN ATTENDANCE

Ms Chan Yoke Peng

- Company Secretary

Ms Ong Huei Lin

- Representative from KPMG PLT, the External Auditors

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BY INVITATION

Mr Yoshikazu Takasu	- Group Chief Financial Officer
Mr Chia Kian Cheng	- General Director, Perstima (Vietnam) Co., Ltd.
Mr Masakazu Akari	- President, Perstima Philippines Inc.
Encik Rahizan bin Khalid	- Finance Manager
Mr Tay Shin Zer	- Accountant
Cik Ruqayyah binti Kamarulzaman	- Representative from Boardroom Corporate Services Sdn. Bhd.
Cik Nurul 'Izzah Binti Rahmad	- Representative from Boardroom Corporate Services Sdn. Bhd.
Ms Tham Foong Yee	- Representative from SKY Corporate Services Sdn. Bhd. (" SKY "), Independent Scrutineers
Ms Lee Jan Yi	- Representative from SKY

The shareholders and proxyholders (collectively referred to as "**Members**") who attended the AGM were set out in the Attendance List.

CHAIRMAN

The Chairman of the Board of Directors of the Company (the "**Board**"), Mr Dominic Aw Kian-Wee ("**Chairman**"), extended a warm welcome to all Members and invitees present at the Forty-Eighth ("**48th**") AGM of the Company.

QUORUM

The Company Secretary confirmed that a quorum was present for the Meeting. With the requisite quorum being present, the AGM was called to order at 2:30 p.m..

SUMMARY OF PROXIES FORMS AND CORPORATE REPRESENTATIVE FORM RECEIVED

The Company Secretary also reported that the Company had received in total Fifty-Three (53) proxy forms from shareholders for a total of Eighty-Seven Million Nine Hundred Thirty-One Thousand Four Hundred and Ninety-Three (87,931,493) ordinary shares representing 68.11% of the issued share capital of the Company.

Out of those, there was one (1) shareholder who has appointed the Chairman of the Meeting as proxy to vote on its behalf and the shares so represented stood at Nine Million Three Hundred Sixty-Two Thousand and Five Hundred (9,362,500) ordinary shares representing 7.25% of the issued share capital of the Company.

The Chairman proceeded to introduce the Board members, the Company Secretary, the representatives from KPMG PLT, the External Auditors of the Company, who were present together with him at the Meeting.

At this juncture, the Chairman extended his apology on behalf of Mr Rin Nan Yoong, the Non-Independent Non-Executive Director for not being able to attend the 48th AGM due to unforeseen circumstances.

NOTICE OF MEETING

With the consent of the Members, the Notice convening the 48th AGM having been circulated within the prescribed period was taken as read.

POLLING AND ADMINISTRATIVE GUIDE

The Chairman informed the Meeting that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), all resolutions set out in the Notice of the AGM must be voted by poll. Pursuant to Clause 80 of the Company's Constitution, the Chairman then demanded for a poll to be taken for all the resolutions set forth in the Notice of the 48th AGM.

The Chairman also informed the Meeting that the Company had appointed Boardroom Share Registrars Sdn. Bhd. as the Poll Administrator to facilitate the poll voting electronically and SKY Corporate Services Sdn. Bhd. as the Independent Scrutineers to validate the poll results.

The Chairman further informed that the Meeting shall go through all the resolutions and proceed with the polling process after the last resolution has been tabled. The Chairman also informed the Members of their right to participate, speak and vote at the AGM.

The Chairman then proceeded with business on the agenda and went through each of the resolutions set out in the Notice of the 48th AGM.

DISCUSSION ITEM

- AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The Audited Financial Statements together with the Reports of the Directors and Auditors ("**Audited Financial Statements**") of the Company for the financial year ended 31 March 2026 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 on the agenda was meant for discussion. It would not be put to voting by shareholders as it did not require approval from the shareholders of the Company.

The Chairman further informed the Meeting that the question and answer session would be opened after all the resolutions have been tabled.

The Chairman then took the Meeting through the remainder resolutions set out in the Notice of the 48th AGM.

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ORDINARY RESOLUTION 1

- RE-ELECTION OF DIRECTOR – PUAN MASTURA BINTI MANSOR

The Chairman informed the Meeting that the first ordinary resolution on the agenda was on the re-election of Puan Mastura binti Mansor as a Director of the Company, retiring by rotation in accordance with Clause 99 of the Company's Constitution and, being eligible, had offered herself for re-election.

ORDINARY RESOLUTION 2

- RE-ELECTION OF DIRECTOR – EN AB. PATAH BIN MOHD

The Chairman informed the Meeting that the Ordinary Resolution 2 was on the re-election of En Ab. Patah Bin Mohd as a Director of the Company, retiring by rotation in accordance with Clause 99 of the Company's Constitution and, being eligible, had offered himself for re-election.

ORDINARY RESOLUTION 3

- NON-EXECUTIVE DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The next resolution on the agenda was Ordinary Resolution 3 to approve the payment of Non-Executive Directors' Fees of Ringgit Malaysia Four Hundred Sixty-Four Thousand Four Hundred and Eleven (RM464,411) only for the financial year ended 31 March 2026.

ORDINARY RESOLUTION 4

- BENEFITS PAYABLE TO THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD FROM 28 AUGUST 2026 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY IN YEAR 2027

The Meeting was informed that the Ordinary Resolution 4 on the agenda was to approve the benefits payable to the Non-Executive Directors up to an aggregate amount of Ringgit Malaysia Thirty-Five Thousand (RM35,000) only for the period from 28 August 2026 until the next Annual General Meeting of the Company in year 2027 and payment thereof.

ORDINARY RESOLUTION 5

- RE-APPOINTMENT OF AUDITORS

The fifth resolution on the agenda was to re-appoint the retiring Auditors, KPMG PLT, that having indicated their willingness to continue in office. The Audit Committee and the Board of Directors have reviewed the effectiveness of KPMG PLT and recommended their re-appointment as the Auditors of the Company for the ensuing year until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.

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ORDINARY RESOLUTION 6

- PROPOSED RENEWAL OF EXISTING 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

The Chairman informed the Meeting that the next resolution on the agenda was to seek approval from the shareholders to renew the existing shareholders' mandate for the Company's recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations of the Group and in the ordinary course of its business as set out in the Circular to Shareholders dated 29 July 2026.

The Chairman further reminded the interested major shareholders namely, JFE Shoji Corporation and JFE Steel Corporation and persons connected to them, to abstain from voting on the Ordinary Resolution 6.

ORDINARY RESOLUTION 7

- AUTHORITY FOR MR DOMINIC AW KIAN-WEE TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR

The Chairman informed the Meeting that as he was an interested party on the Ordinary Resolution 7. The Chairman then handed over the chair to Mr Lim Poh Seong to put forth the resolution.

Mr Lim Poh Seong took over the Chair and informed the Meeting that the Ordinary Resolution 7 was on retention of Mr Dominic Aw Kian-Wee who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years.

The Company was seeking shareholders' approval through a two-tier voting process for Mr Dominic Aw Kian-Wee to continue to act as Independent Director of the Company, in accordance with the Malaysian Code on Corporate Governance.

Mr Lim Poh Seong then handed the chair back to the Chairman.

ORDINARY RESOLUTION 8

- AUTHORITY FOR PUAN MASTURA BINTI MANSOR TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR

The Chairman informed the Meeting that the last resolution on the agenda was on retention of Puan Mastura binti Mansor ("**Pn Mastura**") who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years.

The Company was seeking shareholders' approval through a two-tier voting process for Pn Mastura to continue to act as Independent Directors of the Company, in accordance with the Malaysian Code on Corporate Governance.

The Chairman informed the Meeting of the commencement of the question and answer session after all the resolutions had been tabled to the Meeting.

QUESTION AND ANSWER SESSION

It was noted that the Company had received questions from the Minority Shareholders Watch Group (“**MSWG**”) before the AGM and MSWG has requested the questions and replies to be presented at the AGM for the interest of the minority shareholders. The Chairman and Ms Ranko Kume, the ED presented to the Meeting the Company’s responses to MSWG’s questions.

The Chairman continued to read out the questions from a shareholder received by the Company before the AGM.

The Chairman then invited questions from the floor and took cognizance of the enquiries and/or comments by the Members during the Meeting. The questions raised were duly addressed by the Chairman, Mr Lim Poh Seong, the Senior Independent Non-Executive Director and Ms Ranko Kume, the ED. The questions from MSWG and Members and replies were set out in Appendix I attached hereto.

After addressing the questions received, the Chairman informed the Meeting of the closure of question and answer session and the Company would respond to those questions that were not taken up during the Meeting via email, if any. Those answers would also be published on the Company’s website.

The Chairman then declared that the Audited Financial Statements of the Company for the financial year ended 31 March 2026 had been duly tabled and received by the shareholders of the Company.

POLLING PROCESS

The Chairman then directed for the closing of the registration of the shareholders and proxies for the AGM. The Chairman informed that the poll would be conducted electronically. The Meeting was then briefed on the electronic poll voting process via video presentation.

The Chairman further informed that the outcome of the poll would be announced after the short break for refreshment as it would take some time for the Independent Scrutineers to tabulate the results of the poll. The Meeting was then adjourned at 4:20 p.m. for the polling process and the votes to be counted, enabling the Independent Scrutineers to tabulate the results of the poll.

The Meeting resumed at 4:47 p.m. for the declaration of the results of the poll.

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POLL RESULTS

Chairman announced the results of the poll as follows:-

ORDINARY RESOLUTION 1

- RE-ELECTION OF DIRECTOR – PUAN MASTURA BINTI MANSOR

Ordinary Resolution 1	VOTE FOR		VOTE AGAINST		Results
	No. of Shares	%	No. of Shares	%	
<i>To re-elect Puan Mastura binti Mansor who is retiring in accordance with Clause 99 of the Constitution of the Company</i>	52,741,326	99.9352	34,181	0.0648	Carried

It was RESOLVED:-

That the retiring Director, Puan Mastura binti Mansor be and is hereby re-elected as Director of the Company.

ORDINARY RESOLUTION 2

- RE-ELECTION OF DIRECTOR – EN AB. PATAH BIN MOHD

Ordinary Resolution 2	VOTE FOR		VOTE AGAINST		Results
	No. of Shares	%	No. of Shares	%	
<i>To re-elect En Ab. Patah Bin Mohd who is retiring in accordance with Clause 99 of the Constitution of the Company.</i>	52,740,677	99.9340	34,830	0.0660	Carried

It was RESOLVED:-

That the retiring Director, En Ab. Patah Bin Mohd be and is hereby re-elected as Director of the Company.

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ORDINARY RESOLUTION 3

- NON-EXECUTIVE DIRECTORS' FEES OF RM464,411 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

Ordinary Resolution 3	VOTE FOR		VOTE AGAINST		Results
	No. of Shares	%	No. of Shares	%	
<i>To approve the Non-Executive Directors' fees of RM464,411 for the financial year ended 31 March 2026 and the payment thereof.</i>	52,740,576	99.9340	34,831	0.0660	Carried

It was RESOLVED:-

That the Non-Executive Directors' fees of RM464,411 only for the financial year ended 31 March 2026 be and are hereby approved for payment to the Non-Executive Directors.

ORDINARY RESOLUTION 4

- BENEFITS PAYABLE TO THE NON-EXECUTIVE DIRECTORS UP TO AN AGGREGATE AMOUNT OF RM35,000 FOR THE PERIOD FROM 28 AUGUST 2026 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY IN YEAR 2027

Ordinary Resolution 4	VOTE FOR		VOTE AGAINST		Results
	No. of Shares	%	No. of Shares	%	
<i>To approve the benefits payable to the Non-Executive Directors up to an aggregate amount of RM35,000 for the period from 28 August 2026 until the next Annual General Meeting of the Company in year 2027 and the payment thereof.</i>	52,740,576	99.9340	34,831	0.0660	Carried

It was RESOLVED:-

That the benefits payable to the Non-Executive Directors up to an aggregate amount of RM35,000 for the period from 28 August 2026 until the next Annual General Meeting of the Company in year 2027 be and are hereby approved for payment to the Non-Executive Directors.

ORDINARY RESOLUTION 5
- RE-APPOINTMENT OF AUDITORS

Ordinary Resolution 5	VOTE FOR		VOTE AGAINST		Results
	No. of Shares	%	No. of Shares	%	
<i>To re-appoint KPMG PLT as the Auditors of the Company and to authorise the Directors to fix their remuneration.</i>	52,742,327	99.9371	33,180	0.0629	Carried

It was RESOLVED:-

That the retiring Auditors, 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 until the conclusion of the next Annual General Meeting and that the Directors be and are hereby authorised to fix their remuneration.

ORDINARY RESOLUTION 6
- RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Ordinary Resolution 6	VOTE FOR		VOTE AGAINST		Results
	No. of Shares	%	No. of Shares	%	
<i>Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.</i>	52,742,127	99.9368	33,380	0.0632	Carried

It was RESOLVED:-

“THAT, pursuant to Paragraph 10.09(2), Part E of Chapter 10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, 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 29 July 2026 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 Renewal of 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 Renewal of Shareholders' Mandate."

ORDINARY RESOLUTION 7

- AUTHORITY FOR MR DOMINIC AW KIAN-WEE TO CONTINUE IN OFFICE AS AN INDEPENDENT DIRECTOR OF THE COMPANY

Ordinary Resolution 7	VOTE FOR		VOTE AGAINST		Results
	No. of Shares	%	No. of Shares	%	
<i>Authority for Mr Dominic Aw Kian-Wee to continue in office as an Independent Director of the Company</i>	42,402,806 (Tier 1)	100.0000	0	0.0000	Carried
	10,339,320 (Tier 2)	98.6492	141,581	1.3508	Carried

It was RESOLVED:-

"THAT authority be and is hereby given to Mr Dominic Aw Kian-Wee who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Director of the Company until the conclusion of the next Annual General Meeting, in accordance with the Malaysian Code on Corporate Governance."

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ORDINARY RESOLUTION 8

- AUTHORITY PUAN MASTURA BINTI MANSOR TO CONTINUE IN OFFICE AS AN INDEPENDENT DIRECTOR OF THE COMPANY

Ordinary Resolution 8	VOTE FOR		VOTE AGAINST		Results
	No. of Shares	%	No. of Shares	%	
<i>Authority for Puan Mastura binti Mansor to continue in office as an Independent Director of the Company</i>	42,402,806 (Tier 1)	100.0000	0	0.0000	Carried
	10,338,520 (Tier 2)	98.6415	142,381	1.3585	Carried

It was RESOLVED:-

“THAT authority be and is hereby given to Puan Mastura Binti Mansor who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Director of the Company until the conclusion of the next Annual General Meeting, in accordance with the Malaysian Code on Corporate Governance.”.

CONCLUSION

There being no other matters, the Meeting concluded at 4:48 p.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

- Approved -

 CHAIRMAN

PERUSAHAAN SADUR TIMAH MALAYSIA (PERSTIMA) BERHAD
(“Perstima” or the “Company”)
(Registration No. 197901005687 (49971-D))

**QUESTIONS AND ANSWERS SESSION DURING THE FORTY-EIGHTH ANNUAL
GENERAL MEETING OF THE COMPANY HELD ON THURSDAY, 27 AUGUST 2026**

**PART A : Questions (“Q”) from Minority Shareholders Watch Group and replies
(“A”) from the Company**

Operational & Financial Matters

Q1	In FY2026, the Malaysian operation recorded a segment loss of RM350.06 million despite reporting higher revenue of RM650.95 million. This was primarily attributable to the recognition of impairment losses on investments and amounts due from a subsidiary totalling RM358.51 million (page 115, Note 19 – Operating Segments, AR2026). By comparison, the Malaysian operation recorded a segment profit of RM25.62 million on revenue of RM584.07 million in the previous financial year. a) Excluding the impairment losses, the Malaysian operation would have recorded a segment profit of approximately RM8.5 million. This represents a significant deterioration in underlying profitability despite the increase in revenue. What were the key factors contributing to the weaker underlying bottom-line performance? b) The Royal Malaysian Customs Department has imposed anti-dumping duties on imported tinplate. To what extent has this measure improved PERSTIMA’s competitive position and pricing environment in the Malaysian market? Has the imposition of these duties translated into better margins or improved business prospects for PERSTIMA? If not, what are the key factors limiting the benefits?
A1	(a) What drove the weaker underlying performance despite higher revenue was the continued strong flow of imports at highly competitive prices, limiting Perstima Malaysia’s ability to increase sales margins. Additionally, significant increases in tin price raised production costs, while the Company’s ability to fully pass these costs onto customers remained constrained. (b) The anti-dumping duties have helped Perstima by limiting the number of players entering into the market, and has thus helped to control a wider field of entry. However, given the relatively modest tariffs, imports continue to enter at highly competitive prices and this has not contributed significantly to Perstima’s competitive position, nor sales margins.

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PART A : Questions (“Q”) from Minority Shareholders Watch Group and replies (“A”) from the Company (Cont’d)

Operational & Financial Matters (Cont'd)

Q2	Perstima Philippines (PPI) continued to face significant pressure on its financial performance. For the year under review, PPI's revenue increased by 46.21% y-o-y to RM208.02 million, while its segment loss widened by 62% y-o-y to RM118.18 million (page 115, AR2026). How did PPI perform operationally throughout the year? In particular, please provide details on PPI's average capacity utilisation rate, operational efficiency, fixed cost per unit, and selling and distribution expenses, and explain the key factors that contributed to the significant widening of its segment loss despite the substantial increase in revenue.
A2	Operationally, PPI has performed better this year in terms of sales tonnage compared to the year before. However, similarly to Malaysia, strong flow of imports at competitive prices limited our ability to increase sales margins. The loss widened despite revenue growing due to unrealized foreign exchange loss, with the weakening PHP against USD and MYR.
Q3	Amid the challenging business environment in Malaysia and the Philippines, Perstima's Vietnam operations continued to serve as an important contributor to the Group's performance, recording significant improvements in both revenue and profitability, driven in part by higher export sales to Europe (page 115, AR2026). a) Does Management expect the Vietnam operations to sustain a similar growth trajectory in FY2027 and beyond? What are the key factors expected to underpin the growth momentum? b) To what extent was the strong performance in FY2026 driven by higher sales volume versus improved selling prices or product mix? Is the growth in export sales to Europe expected to be sustainable? What is Management's outlook for demand from the European market? c) Which are the key factors that could affect the Vietnam operation's margins going forward?
A3	FY2026 was a good year for Vietnam with increase in both volume and sales margins, primarily driven by higher export sales, particularly to Europe. FY2027 growth will depend on various key factors, including continued pricing pressures from imported products entering the Vietnam market at highly competitive prices, increase in raw material costs and our ability in generating export sales beyond Europe.

PART A : Questions (“Q”) from Minority Shareholders Watch Group and replies (“A”) from the Company (Cont’d)

Sustainability Matters

Q4	PPI recorded a significant 440% increase in the total weight/volume of materials used to produce and package its primary products and services, with total materials used rising to 47.38 million kg from 8.77 million kg previously (page 19, Sustainability Statement FY2026).
	Was the substantial increase in materials used broadly in line with the growth in PPI’s production volume during the year? Otherwise, what were the key factors driving the disproportionate increase in material usage
A4	We have reviewed the published data and confirmed the error in the reporting figure for FY2025. The correct percentage change from FY2025 to FY2026 is 29%, which is also reflective of the production growth.
Q5	The use of renewable materials across PTM, PVCL and PPI remains marginal. What are the key operational or technical limitations that constrain PERSTIMA’s ability to increase the use of renewable materials across its production chain?
A5	The majority of materials, in weight, come from our steel raw material & tin, both non-renewable by definition. Renewables in our production are essentially in the packaging materials.
Q6	There is also a significant disparity in the use of recycled input materials across the three operating entities. PPI reported zero use of recycled input materials, compared with 6.62% for PTM and 0.34% for PVCL. Why are there substantial differences in the use of recycled input materials across PTM, PVCL and PPI? Why did PPI not incorporate any recycled input materials into its production during FY2026?
A6	PTM having the most developed supply chain with high domestic sales, has well established reuse practices in place for its packaging materials. PVCL is equally well established, however its sales skews more heavily toward exports than domestic. Given that longer shipping distances and durations typically demand more robust packaging, this is a relevant factor here. Similar practices are ongoing in PPI.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong	1.	Scenario of Question 1 <i>The following similar remarks /comments from the Hon. Auditor have appeared in FY 24 and 23, (though figures differ), even though FY 22 and 21, under segment reporting, “geographical location of non-current assets” in Philippines of RM319.9m (FY 22) and RM165m in FY21 were reported in segment reporting.</i> <i>(The purpose of starting with AR 2025 is for historical linkage. AR 2026 will be brought in under next page)</i> Key Audit Matters : AR for FY ending 31/3/25 pg 116 <i>Impairment consideration on property, plant and equipment and right-of-use assets - Group Refer to Note 2 - Property, plant and equipment and Note 3 - Right-of-use assets.</i> The key audit matter <i>As at 31 March 2025, the carrying amount of the Group's property, plant and equipment and right-of-use assets were RM316,350,000 and RM16,448,000 respectively. There are <u>impairment indicators</u> that the carrying amount of the Group's property, plant and equipment and right-of-use assets may be higher than the recoverable amount. We have determined the impairment of property, plant and equipment and right-of-use assets as key audit matter as the recoverable amount of the cash generating units (“CGUs”) involves judgmental assumptions and estimation by the Directors.</i> <u>Page 117 of AR on KEY AUDIT MATTERS – AR for FY ended 31/3/25</u> Report on the Audit of the Financial Statements (cont'd) Key Audit Matters (cont'd) (ii) Impairment of investment in a subsidiary and amount due from a subsidiary - Company Refer to Note 4 - Investments in subsidiaries, Note 6 - Due from subsidiaries and Note 19.4 - Credit risk - inter-company balances.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong		Scenario of Q1 (Cont'd) <i>The key audit matter</i> <i>As at 31 March 2025, the Company has investment in a Philippines subsidiary, PERSTIMA (Philippines), Inc. amounting to RM113,041,000 and amount due from the subsidiary of RM488,824,000.</i> <i>(Page 126 of AR on KEY AUDIT MATTERS - <u>AR for FY ending 31/3/26</u></i> <i>The key audit matter</i> <i>As at 31 March 2026, the Company has investment in a subsidiary in Philippines amounting to RM113,041,000 and amount due from the subsidiary of RM515,287,000.)</i> <i>“Given that the subsidiary has recorded losses for the recent financial years and in view of the current uncertainties on future profitability, there is an indication that the carrying amount of the investment in the subsidiary and receivables from the subsidiary may be impaired. We have determined the impairment of investment in a subsidiary and amount due from a subsidiary as key audit matter as the assessment of the recoverable amount involves judgmental assumptions and estimation by the Directors.” (Fairly similar remarks appear in pg 125 of AR 2026)</i> How the matter was addressed in our audit We performed the following audit procedures, amongst others: We evaluated the Directors’ assessment on the appropriateness of the carrying amount of investment in a subsidiary and recoverability of receivable from the subsidiary to ascertain if any impairment is required. We evaluated the appropriateness of key assumptions used in the cash flow projections, in particular those relating to selling prices, sales volume, discount rate, remaining useful lives and terminal growth rate, by comparing to the historical and current performance, internal business plans and forecasts and externally derived market data.

PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong		Scenario of Q1 (Cont'd) We evaluated the adequacy of the impairment loss provided against the exposure from the outstanding amounts in evaluating the Company's impairment assessment. Information Other than the Financial Statements and Auditors' Report thereon the Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report (but does not include the financial statements of the Group and of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date. Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. <i>If, based on the work we have performed on other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.</i> When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, <i>we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.</i>

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong	1.	Question
		a) <i>This question is directed at the External Auditor:</i> As such similar remarks have been raised for consecutive years <i>since FY2023 till FY 2026</i>, and no action <i>“appeared”</i> to have been taken by our company, <i>what would be your next course of action?</i> b) Please elaborate on the “impairment indicators” that you, as the external auditor, have determined to be included in the “key audit matters” consideration. c) If impairments on investment in the said subsidiary and the amount due from the said subsidiary were made, <i>can the Hon. Auditor enlighten us on the profit and loss impact and the resultant impact on the balance sheet?</i>
		Answer
		Items (a), (b) and (c) were addressed together. Perstima Philippines Inc. has recorded losses for the recent financial years since the commencement of its operations in FY2023. This represents an indication of impairment under MFRS 136 and required management to assess the recoverable amount. As the assessment of the recoverable amount involves significant judgement and estimation, impairment of property, plant and equipment and right-of-use assets (at Group level), and investment in Philippines subsidiary and amount due from the subsidiary (at Company level) has been determined as key audit matter. The recoverable amount is determined based on cash flows projection prepared by management and we evaluated the appropriateness of key assumptions used, as disclosed in Note 1(d) to the financial statements.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description																					
Chin Yok Fong	2.	Question																					
		<u>From the segmental reporting information provided ON NON-CURRENT ASSETS in Philippines, I notice the following:</u>																					
		<table><tr><th></th><th>FY21</th><th>FY22</th><th>FY23</th><th>FY24</th><th>FY25</th><th>FY26</th></tr><tr><td>Assets Invested</td><td>165m</td><td>319.9m</td><td>338.4m</td><td>332.5m</td><td>285.5m</td><td>232.6m</td></tr><tr><td>Segment result</td><td>-3.6m</td><td>-13.8m</td><td>-40.1m</td><td>-64.6m</td><td>-72.9m</td><td>-118.2m</td></tr></table>		FY21	FY22	FY23	FY24	FY25	FY26	Assets Invested	165m	319.9m	338.4m	332.5m	285.5m	232.6m	Segment result	-3.6m	-13.8m	-40.1m	-64.6m	-72.9m	-118.2m
			FY21	FY22	FY23	FY24	FY25	FY26															
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Segment result	-3.6m	-13.8m	-40.1m	-64.6m	-72.9m	-118.2m																	
a) <i>CAN THE BOARD EXPLAIN THE RATIONALE FOR CONTINUED INVESTMENT IN PHILIPPINES in light of the escalating losses incurred? Excluding the said losses, our company would have been profitable for the years indicated above!</i> (Please see the attached files on the different years' segment results (extracted from the respective ARs). b) <i>I do take note of our chairman's sanguine view of the Philippines market in the 2026 AR's Chairman's statement (pg 9 under Industry and Prospects), though the series of losses figure over the years don't seem to support his sanguine view. Perhaps our Chairman can share with us the basis upon which he rests his sanguine views on</i> (other than saying "..... management remains confident that the Philippines operation will progressively enhance its contribution to the Group as production ramps up and market penetration improves. <i>Yes, I do notice that revenue has been increasing, so are annual losses!</i>")																							
		Answer																					
		These two questions were addressed together. We have made a substantial investment in the Philippines, and the result is a new and modern plant. PPI remains the only local producer of tinplate and tin-free steel in the country, in a market that is large both for domestic consumption and for export, with sophisticated customers requiring exactly the high-end product the plant was designed to make. At this juncture, PPI remains cash flow positive and the team continues to vigorously pursue both sales and product acceptance by additional customers with a view to converting them into commercial orders.																					

PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description								
Chin Yok Fong	2.	Answer (Cont'd) Management and the Board continue to review the position frequently and will make decisions on the facts as they materialise.								
Chin Yok Fong	3.	Question Can the Board explain the nature of "other income" which appears to be a substantial profit contributor? From Quarterly financial reports/ ARs, this "other income" often even exceeds Gross Profit in the relevant quarters/ years. Answer The other income consists of scrap sales and foreign exchange gains. The relatively high other income compared to gross profit is mainly attributable to the following: <table><tr><th>Other Income</th><th>RM'000</th></tr><tr><td>Foreign exchange gains</td><td>10,952</td></tr><tr><td>Scrap sales/ other sales</td><td>4,490</td></tr><tr><td>Total other income</td><td>15,442</td></tr></table> The main raw materials, TMBP, are purchased in USD, which exposes the Group to foreign exchange gains or losses.	Other Income	RM'000	Foreign exchange gains	10,952	Scrap sales/ other sales	4,490	Total other income	15,442
Other Income	RM'000									
Foreign exchange gains	10,952									
Scrap sales/ other sales	4,490									
Total other income	15,442									

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description												
Chin Yok Fong	4.	Question												
		I notice that the Property/plant/equipment figure has reduced from FY2025's RM316m to FY2026's RM266m. And yet the interim financial statement under "investing cash flow" has not reflected the cash flow movement. I seek the Board's clarification, please.												
		Answer												
		The PPE's balance decreased from RM316m to RM266m, as shown in the movement below.												
		<table><tr><th>Plant, property and equipment</th><th>RM'000</th></tr><tr><td>FY2025</td><td>316,250</td></tr><tr><td>Addition</td><td>12,031</td></tr><tr><td>Depreciation</td><td>(24,113)</td></tr><tr><td>Disposal/Write off</td><td>(111)</td></tr><tr><td>Exchange Difference</td><td>(37,860)</td></tr><tr><td>FY2026</td><td>266,297</td></tr></table>	Plant, property and equipment	RM'000	FY2025	316,250	Addition	12,031	Depreciation	(24,113)	Disposal/Write off	(111)	Exchange Difference	(37,860)
Plant, property and equipment	RM'000													
FY2025	316,250													
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Depreciation	(24,113)													
Disposal/Write off	(111)													
Exchange Difference	(37,860)													
FY2026	266,297													
		The RM49,953,000 decline is represented by non-cash items, principally depreciation charges and exchange differences and so are not reflected under "cash flows from investing activities" in the statement of cash flows. The exchange difference of RM37,860,000 is attributable to the depreciation of the VND and PHP against the MYR, which resulted in an exchange difference on the Group's assets.												

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong	5.	Question
		AR ending 31/3/2026 page 94 – statement on Profit and Loss.....
		Under ‘Company’ level, Net loss on <i>impairment of financial instruments</i> amounting to RM245,471,000 was recorded. Note 17 is supposed to explain this. I browsed through the said note 17, nowhere were the words “financial instruments” appear. Can the Board explain the nature of these financial instruments? (<i>I do notice the same figure appears under Note 17: impairment losses due from a subsidiary.</i>) - Are these actually uncollectible receivables from the Philippine’s subsidiary? - If in fact they are the receivables from the Philippine subsidiary, are we expecting FURTHER IMPAIRMENT as the amount due from the said subsidiary is somewhere near RM488,824,000? (from the External Auditor’s report, as at 31 March 2026, the Company has investment in a subsidiary in Philippines amounting to RM113,041,000 and amount due from the subsidiary of RM515,287,000). On a proforma basis, if the preceding point 2 of further impairment holds, what will the likely impact be on the GROUP’s bottom line and shareholders’ equity upon consolidation?
		Answer
		The financial instrument refers to the advances from PTM to PPI of RM515,287,000 of which RM245,471,000 has been impaired (as reflected in Note 17 of the Financial Statements). This impaired sum is not written off and is reversible. It’s recoverability depends on the future performance of PPI.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong	6.	Question On the same page 94 of AR 2026, " other expenses " of RM150,004,000 were recorded at the Company level. Can the Board explain this "other expenses"?
		Answer The "other expenses" recorded at Company level consists of the following 1. An impairment loss on investment in subsidiary amounting to RM113,041,000. 2. A foreign exchange loss of RM36,963,000, mainly arising from multicurrency loans to subsidiary. However, these losses will be eliminated at the Group level and will not have an impact on the Group's performance.
Chin Yok Fong	7.	Question I am seeking the Independent Directors' views: What could have possibly gone wrong, on hindsight, in the decision to invest in the Philippines , as the losses continue to mount? (Our group was in NET CASH position prior to FY 2022, now the group is in NET DEBT position of around RM256 million, with a net debt/equity ratio of around 0.75 as at 31/3/2026, according to my computation).
		Answer The decision to invest in the Philippines was made in 2018. It was supported by strong underlying data at the time. That data included the country's robust domestic consumption and its growing population and expanding processed food industry. Construction began in 2019, with the capital commitment made accordingly. The onset of the COVID-19 pandemic in early 2020 delayed the completion of construction and subsequent commissioning of the line. This was compounded by a broader shift in global market dynamics. That shift began with disruption in the steel industry and was followed by the introduction of trade barriers. Competition intensified and prices were driven down as a result. Compounding this, trials with local high-end customers have taken considerably longer than initially anticipated.

PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong	8.	Question
		Can it be confirmed that Philippines operation is not a salvage situation?
		Answer
		The business is being carried on in the ordinary course and not as a salvage situation.
Chin Yok Fong	9.	Question
		Is the FY 2027 figure expected to be higher than RM505 million?
		Answer
		No forecast or estimate can be given at this juncture. On the ground the Group is working to expand the business on three pillars. These are product acceptance in the market, the generation of export sales and the ramping up of local domestic sales. All three are being pursued at this point. The operating environment does present headwinds. Commodity price increases have raised the price of tin used in tinplating. The ability to pass those costs on to customers remains constrained in the face of highly competitive imports into the Philippines. The global shift in tariff and trade measures over the past one and a half years has also affected the export side of the market. That shift has affected other industries as well as the Group. PPI remains cash flow positive at this point in time and the team continues to work hard. The Board and Management continue to assess the position frequently and to make decisions on the facts as they arise.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong	9.	Answer (Cont'd) It was noted that losses had been recorded over the past few years, with a significant portion attributable to unrealised foreign exchange differences arising from movements in exchange rates. Such differences may fluctuate between reporting periods and may subsequently reverse depending on exchange rate movements. The position would continue to be assessed at each reporting date in determining the appropriate course of action.
Chin Yok Fong	10.	Question What is the position on the Company's investment impairment?
		Answer Note 4 to the financial statements on page 106 of the Annual Report 2026 sets out the position. The Company's investment in PPI at Company level amounts to RM113 million. There are two forms of funding extended to PPI by the Company. The first is the investment by Perstima Malaysia of RM113 million. An almost full impairment has been made on that investment and is reflected in the impairment losses disclosed in Note 4 of the accounts on page 106. The second is the advances of RM515 million extended to PPI for working capital purposes. The financial position of the Philippine subsidiary has affected the recoverability of both the investment and those advances. The first item impaired was therefore the Company's investment in the Philippine subsidiary. The second item impaired was the recoverability of the advances. An impairment loss of RM245 million has been recognised on the RM515 million advanced. Both figures are as identified in the questions raised.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong	10.	Answer (Cont'd) The RM515 million represents the total advances made to PPI. Of that amount RM245 million has been impaired. This leaves a carrying amount of RM269.8 million. A recoverability test has been performed on future cash flows as explained by the external auditors. The resulting amount is what is reflected as the carrying amount in the statement of financial position.
Chin Yok Fong	11.	Question Does that mean the external auditors consider the remaining balance to be recoverable? Answer Management shares equal responsibility for the assessment. Management presented its future cash flow projections to the auditors. PPI remains a going concern. It is not in a salvage position but continues as an operating business. The carrying amount has been written down to the recoverable amount on the basis demonstrated to the auditors from those future cash flows. The auditors have examined Management's estimates of the future recoverability of the business and of the volume of business the operation is able to generate. That is the amount which remains in the statement of financial position. The impairment may be reversed should the economy improve or the business environment move in the Group's favour or commodity prices and trade relationships with business partners improve. Impairment is a temporary measure in that sense. Everything possible has been done at this point to reflect a true and fair view of what is recoverable.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong	12.	Question
		The Company has fully impaired its investment in the Philippines. Is it correct that the impairment can be written back if the situation improves?
		Answer The holding company has made an investment in the subsidiary and has separately made advances to it. The subsidiary received those funds and converted them into operating assets. Any impairment of the assets at the subsidiary has a direct effect on their carrying value at the Philippine company whether realised or unrealised. The business in the Philippines faces uncertainty. The appropriate course at this juncture is therefore to impair both the holding company's investment and its advances. The investment has been impaired in full at the holding company. The advances have been impaired by approximately half being the RM245 million referred to earlier. The prospects of recovering the investment and the advances improve if the subsidiary turns around. The impairment would then be reversed at the holding company.
Chin Yok Fong	13.	Question
		Is that the position the Company is working towards in FY2027?
		Answer The Group is working towards and all reasonable measures are being taken towards achieving this.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chua Song Yun	14.	Question
		The operating segments on page 115 of the Annual Report 2026 show a loss of RM118 million for FY2026. Cash flow positive is taken to mean EBITDA positive. Adding back depreciation of approximately RM15 million together with finance costs and the unrealised foreign exchange loss of approximately RM36 million would still leave a figure in the region of RM60 million to RM70 million. The loss is RM118 million while the non-cash items amount to at most RM70 million. How then does the Company arrive at PPI being cash flow positive in FY2026?
		Answer
		The financial results for the financial year ended 31 March 2026 had resulted in a net cash outflow for the year. The cash flow would remain negative for so long as the Group continued to incur losses. Any improvement would depend on the Group's performance with its trade partners and developments in the economic and operating environment. Positive cash flow could be achieved in a future period if the Group's operations turned around. This would represent a future position and not the position as at 31 March 2026.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chua Song Yun	15.	Question
		When the company recorded cash flow positive, does it mean EBITDA positive for FY2026?
		Answer The Group's performance had resulted in EBITDA being negative and cash outflow. What remained positive was the cash reserve in the statement of financial position. That position allowed the Group to address its immediate requirements.
Chua Song Yun	16.	Question
		Is the reference therefore to a positive cash position?
		Answer Yes. The reference was to positive cash position.
Lew Kaung Chiau	17.	Question
		Did the Company provide any additional advances to Philippines after FY2026?
		Answer The figure was not available at the Meeting. The Company would check the position and revert to the shareholder. <u>Replied by Email</u> <i>The Company has not provided any further financial assistance to its Philippines operations since FY2026.</i>
Chin Yok Fong	18.	Question
		<i>[Continuation of Question 3 from the Pre-AGM questions]</i> The other income recurs annually and the amount is substantial. May it be requested that the item be explained in a footnote?
		Answer The matter would be taken up with the external auditors to clarify the disclosure in future reporting.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong	19.	Question
		<i>[Continuation of Question 4 from the Pre-AGM questions]</i> Why were assets disposal of assets? Where is the cash value and why does it not appear in investment cash flow?
		Answer There was no material disposal of assets during the financial year. The only disposals and write-offs amounted to RM111,000 in carrying value. Proceeds from any disposal would of course have been reflected as a cash inflow in the statement of cash flows. The carrying amount of property, plant and equipment fell from RM316 million to RM266 million. Such reduction was caused by depreciation and by the translation reserve. Together these amounted to approximately RM60 million and were non-cash movements.
Chin Yok Fong	20.	Question
		Would those items still have to be added back?
		Answer That is correct to an extent. A statement of cash flows begins with profit before tax which comprises both cash and non-cash items. The non-cash items are added back first. Depreciation comes first and is followed by exchange differences. This arrives at the cash generated from or used in operations. The movements set out thereafter represent the cash flow movements of the balance sheet items.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong	21.	Question
		When was the investment in Philippines made?
		Answer The investment was made in 2019 before COVID-19 pandemic. The first tranche of our capital commitment at Perstima Malaysia level was drawn at that time to begin the construction phase.
Chin Yok Fong	22.	Question
		The investment decision was made when Mr. Rodrigo Duterte was President, and the President today is Marcos Junior. Having regard to the current political environment in the Philippines does the Group remain confident about its investment there?
		Answer The Group looks at the business rather than politics. The political environment is one element of that. Whatever headwinds arise are taken as they come. Some matters can be controlled and others cannot. Certain matters have already been done, and these are primarily the investment made to date. The Group assesses the position on an ongoing basis. The teams are working at ground level on several fronts. They drive domestic and export sales of tinsplate and tin-free steel. They are obtaining product acceptance from as many local consumers of those products as possible. They are also drawing on the Group's existing network of contacts to increase export sales.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chin Yok Fong	23.	Question China has been a factor for many companies including those in steel. It is a competitor that has affected the market pricing structure, and this is often attributed to subsidies. That attribution may not be wholly accurate because China's economy has been very efficient. It should be acknowledged that China will continue to pose strong competitive pressure. This arises from its efficient and faster supply chain and from the cost efficiency within its supplier clusters.
		Answer The Chairman remains optimistic that the Group is able to work its way through while also being realistic. The competitive pressure is not confined to China. A decision by one country affects others and has a knock-on effect on everyone. These are the shifting sands in which the Group operates. The Group will make use of the contacts it already has in order to generate sales. It is fortunate to have factories in three different locations and this gives it some flexibility in planning its sales.
Chua Song Yun	24.	Question Why is the Philippines operation making loss despite higher revenues? That would suggest that it is selling at a negative gross margin. Can this be confirmed?
		Answer The exact figures would be verified and reverted to the shareholder. A large portion of the loss had resulted from foreign exchange differences. <u>Replied by Email</u> <i>Intense competition from importers resulted in more competitive local selling prices, limiting Perstima Philippines' ability to fully pass the costs on to its customers.</i>

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chua Song Yun & Chin Yong Fong	25.	Question
		The Philippine operation recorded higher revenue but a larger loss, which suggests a negative gross margin. Are there production issues there, given that the Group is the only local producer and that imported product bears logistics costs? Most of the Group's raw material is also understood to be purchased from JFE, a related party, at around 60% to 70%. How would minority shareholders know that this is the most competitive source? Does the Group compare prices with other suppliers to ensure that the arrangement is in the best interest of minority shareholders? This relates to related party transactions and the procedures applicable to them. The external auditors would be expected to have reviewed this. The arrangement could otherwise appear to be a transfer pricing arrangement. May confirmation be provided by the external auditors?
		Answer
		Reference was made to the related party transaction note on page 123 of the financial statements. Related party transactions had been entered into in the normal course of business under normal trade terms.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chua Song Yun	26.	Question Profit in Malaysia continues to decline despite anti-dumping duties of some 20% to 30% on imported tinplate. The Group holds the largest position in the domestic market, and imported product bears those duties as well as logistics costs, yet the Group is still unable to compete on price. Is this because production is not sufficiently efficient or because of raw material costs?
		Answer The Group was not dependent on a single supplier for raw materials. It had multiple suppliers across multiple countries. Comparisons were made and prices were negotiated against them. Some tariffs had been imposed at rates of over 20%. The lowest applicable rate was under 5% and this kept imports very competitive.
Dato' Anthony See Tow Gon	27.	Question What are the respective percentage of purchase from Japanese, Korea and China?
		Answer The specific percentages were not available at the Meeting. Approximately 100% of purchases had historically been from Japanese suppliers. The proportion was then less than half.

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Chua Song Yun	28.	Question
		The response on comparison is noted. The question which remains unanswered is how imported product is still able to be sold more cheaply than the Group's product. That is so even with tariffs of 5% together with logistics costs and it is why customers are buying from those suppliers. Imported product would on that basis be some 10% to 20% more costly than product manufactured locally. How is the Group still unable to compete and to pass on the price? The Vietnam operation also performs well because it is able to export to Europe. Why are the Malaysian and Philippine operations unable to do the same? This appears to be a missing part of the report.
		Answer
		This question was not addressed at the Meeting. Written answers would be provided by email for the questions which could not be answered at the Meeting.
		<u>Replied by Email</u>
		<i>Vietnam produced a higher proportion of Tin Free Steel (TFS) compared with tinplate. As TFS does not require tin, its selling price was relatively more stable and less affected by fluctuations in tin prices. In contrast, Malaysia produced 100% tinplate and was therefore more exposed to the impact of rising tin prices on its production costs. Meanwhile, the Philippines continued to underperform, particularly in its ability to fulfil customer orders.</i>

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PART B : Questions from Shareholders and Proxyholders and replies from the Company (Cont'd)

Shareholder's/ Proxyholder's Name	No.	Description
Lai Cheng Kuan	29.	Question
		MSWG also asked why revenue is increasing while the result is not. The answer given was that it was attributable to foreign exchange. Page 115 of the Annual Report 2026 shows that the segment loss increased from RM72 million in the previous year to RM118 million. A loss of some RM82 million remains after allowing for the foreign exchange loss of approximately RM36 million. The answer given is therefore not sufficiently clear. Malaysia also remains profitable on a comparable revenue basis when its operation is compared with the Philippine operation. Can Management give shareholders guidance on when the Philippine operation is expected to turn around?
		Answer
		This question was not addressed at the Meeting. Written answers would be provided by email for the questions which could not be answered at the Meeting.
		<u>Replied by Email</u>
		<i>The Board and Management have been working closely to oversee the Philippines operations, with the objective of optimizing costs and improving operational efficiency.</i>

- End -