

CONFIDENTIAL

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

MINUTES OF THE FORTY-FIFTH ANNUAL GENERAL MEETING (“AGM”) OF THE COMPANY HELD AND CONDUCTED ON A VIRTUAL BASIS THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT LEVEL 12, MENARA SYMPHONY, NO. 5, JALAN PROF. KHOO KAY KIM, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA ON TUESDAY, 5 SEPTEMBER 2023 AT 11:00 A.M.

PRESENT:-

DIRECTORS

Tan Sri Dato’ (Dr) Wee Hoe Soon @ Gooi Hoe Soon - Chairman
- Independent Non-Executive Director

Mr Hiroaki Yano
- Managing Director (“**MD**”)

Ms Ranko Kume
- Executive Director (“**ED**”)

¹ Mr Rin Nan Yoong
- Non-Independent Non-Executive Director and also a shareholder

Mr Dominic Aw Kian-Wee (“**Mr Dominic Aw**”)
- Senior Independent Non-Executive Director

Pn Mastura binti Mansor
- Independent Non-Executive Director

¹ En Ab. Patah bin Mohd
- Independent Non-Executive Director and also a shareholder

¹ Mr Ho Chun Foh
- Alternate Director to Mr Rin Nan Yoong

IN ATTENDANCE

Ms Chan Yoke Peng	-	Company Secretary
¹ Mr Hiroshi Sagawa	-	Chief Financial Officer
¹ Ms Chan Yen Ing	-	Representative from KPMG PLT, the External Auditors

BY INVITATION

¹ Mr Chia Kian Cheng	-	General Director, Perstima (Vietnam) Co., Ltd.
¹ Mr Akira Suzuki	-	President, Perstima Philippines Inc.
Encik Rahizan bin Khalid	-	Finance Manager
Mr Oh Boon Siong	-	Deputy Finance Manager
Ms Tan Ping Sin	-	Representative from Boardroom Corporate Services Sdn. Bhd. (“ Boardroom ”)
Ms Alice Low	-	Representative from Boardroom
Pn Zuriati binti Yaacob	-	Representative from SKY Corporate Services Sdn. Bhd. (“ SKY ”), Independent Scrutineers
Cik Intan Marina binti Marbaie	-	Representative from SKY

Note

¹ Joined via online platform at <https://meeting.boardroomlimited.my/>

The shareholders and proxyholders (collectively referred to as “**Members**”) who attended and participated in the AGM remotely via online platform at <https://meeting.boardroomlimited.my/> are set out in the Attendee List attached and shall form an integral part of these Minutes.

CHAIRMAN

The Chairman of the Board of Directors of the Company (the “**Board**”), Tan Sri Dato’ (Dr) Wee Hoe Soon @ Gooi Hoe Soon (“**Tan Sri Chairman**”), extended a warm welcome to all Members and invitees present at the Forty-Fifth (“**45th**”) AGM of the Company held and conducted on a virtual basis through live streaming and online remote participation by using Remote Participation and Electronic Voting (“**RPEV**”) facilities, which was in compliance with Section 327 of the Companies Act 2016 and Clause 66 of the Constitution of the Company.

The registered shareholders, proxies and the corporate representatives were reminded to refrain from any forms of recording of the 45th AGM as this was a private meeting with the shareholders of the Company, of which the public was not given access.

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 11:00 a.m..

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SUMMARY OF PROXIES FORMS AND CORPORATE REPRESENTATIVE FORM RECEIVED

The Company Secretary also reported that the Company had received in total nineteen (19) proxy forms from the shareholders of the Company for a total of Forty-Five Million Four Hundred Eighty-Two Thousand One Hundred and Fourteen (45,482,114) ordinary shares representing 35.23% of the issued share capital of the Company.

The Company had also received one (1) corporate representative form for a total of Forty-Two Million Four Hundred Two Thousand Eight Hundred and Six (42,402,806) ordinary shares representing 32.85% of the issued share capital of the Company.

Tan Sri Chairman proceeded to introduce the Board members and the Company Secretary, who were present together with him at the Broadcast Venue.

Tan Sri Chairman further introduced the remaining Directors, Chief Financial Officer and the representative of KPMG PLT, the External Auditors of the Company who joined the 45th AGM remotely to the shareholders.

NOTICE OF MEETING

With the consent of the Members, the Notice convening the 45th AGM having been circulated within the prescribed period was taken as read.

Tan Sri Chairman informed the Members of their right to participate at this AGM by transmitting their questions in real time via the messaging window. For questions which were related or similar in nature, the Company might group them together and provide a single response.

POLLING AND ADMINISTRATIVE GUIDE

Tan Sri 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, Tan Sri Chairman then demanded for a poll to be taken for all the resolutions set forth in the Notice of the 45th AGM.

Tan Sri 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.

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The Meeting was informed that the voting session was available at that point in time until the closure of the voting session to be announced later. The results of the poll voting would be announced after the Independent Scrutineers have verified the poll results.

The Meeting was then briefed on the electronic and remote poll voting process via video presentation.

After the briefing on the polling procedure, Tan Sri Chairman proceeded with the business on the agenda and went through each of the resolutions set out in the Notice of the 45th AGM.

DISCUSSION ITEM

- AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

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 2023 having been circulated to all the shareholders of the Company within the statutory period were taken as read.

Tan Sri 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.

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

Tan Sri Chairman then took the Meeting through the remainder resolutions set out in the Notice of the 45th AGM.

ORDINARY RESOLUTION 1

- RE-ELECTION OF DIRECTOR – MR HIROAKI YANO

Tan Sri Chairman informed the Meeting that the first resolution on the agenda was on the re-election of Mr Hiroaki Yano as a Director retiring in accordance with Clause 99 of the Constitution of the Company and being eligible, offered himself for re-election.

ORDINARY RESOLUTION 2

- RE-ELECTION OF DIRECTOR – PN MASTURA BINTI MANSOR

Tan Sri Chairman informed the Meeting that the second resolution on the agenda was on the re-election of Pn Mastura binti Mansor as a Director retiring in accordance with Clause 99 of the Constitution of the Company and being eligible, offered herself for re-election.

ORDINARY RESOLUTION 3

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

The third resolution on the agenda was on the re-election of En Ab. Patah bin Mohd as a Director retiring in accordance with Clause 99 of the Constitution of the Company and being eligible, offered himself for re-election.

ORDINARY RESOLUTION 4

- NON-EXECUTIVE DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The next resolution on the agenda was to approve the payment of Non-Executive Directors' Fees of Ringgit Malaysia Five Hundred and Five Thousand (RM505,000) only for the financial year ended 31 March 2023.

ORDINARY RESOLUTION 5

- BENEFITS PAYABLE TO THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD FROM 6 SEPTEMBER 2023 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY IN YEAR 2024

The fifth resolution 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 6 September 2023 until the next AGM of the Company in year 2024, to be paid quarterly in arrears.

ORDINARY RESOLUTION 6

- RE-APPOINTMENT OF AUDITORS

Tan Sri Chairman informed the Meeting that the sixth 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 had 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 7

- 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

Tan Sri 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 31 July 2023.

Tan Sri 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 7.

ORDINARY RESOLUTION 8

- AUTHORITY FOR DATO' DR. WEE HOE SOON @ GOOI HOE SOON TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR

Tan Sri Chairman informed the Meeting that as he was an interested party on the Ordinary Resolution 8. Tan Sri Chairman then handed over the Chair to Mr Dominic Aw to put forth the resolution.

Mr Dominic Aw took over the Chair and informed the Meeting that the eighth resolution was on retention of Tan Sri Dato' (Dr) Wee Hoe Soon @ Gooi Hoe Soon 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 Tan Sri Dato' (Dr) Wee Hoe Soon @ Gooi Hoe Soon to continue to act as Independent Director of the Company until the conclusion of the next Annual General Meeting, in accordance with the Malaysian Code on Corporate Governance.

Mr Dominic Aw then handed the Chair back to Tan Sri Chairman.

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

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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 questions raised were duly addressed by Tan Sri Chairman.

Tan Sri Chairman then invited Mr Hiroaki Yano, the MD, Ms Ranko Kume, the ED and Mr Hiroshi Sagawa, the Chief Financial Officer of the Company to address the questions from shareholders/proxies received by the Company before and during the AGM. The questions from MSWG and Members and replies were set out in Appendix I attached hereto.

After addressing the questions received, Tan Sri 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.

Tan Sri Chairman then declared that the Audited Financial Statements of the Company for the financial year ended 31 March 2023 had been duly tabled and received by the shareholders of the Company.

VOTING SESSION

Tan Sri Chairman then invited the Members to cast their votes if the Members have not submitted their votes earlier and informed that the voting session would be closed after 5 minutes.

Tan Sri Chairman further informed that the outcome of the poll would be announced after the short break as it would take some time for the Independent Scrutineers to tabulate the results of the poll.

The Meeting was then adjourned at 11:42 a.m. for the votes to be counted and to enable the Independent Scrutineers to tabulate the results of the poll.

The Meeting resumed at 11:57 a.m. for the declaration of the results of the poll.

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POLL RESULTS

Tan Sri Chairman announced the results of the poll as follows:-

ORDINARY RESOLUTION 1
- RE-ELECTION OF DIRECTOR – MR HIROAKI YANO

Ordinary Resolution 1	VOTE FOR		VOTE AGAINST		Results
	No. of Shares	%	No. of Shares	%	
<i>To re-elect Mr Hiroaki Yano who is retiring in accordance with Clause 99 of the Constitution of the Company</i>	87,723,375	99.9900	8,794	0.0100	Carried

It was RESOLVED:-

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

ORDINARY RESOLUTION 2
- RE-ELECTION OF DIRECTOR – PN MASTURA BINTI MANSOR

Ordinary Resolution 2	VOTE FOR		VOTE AGAINST		Results
	No. of Shares	%	No. of Shares	%	
<i>To re-elect Pn Mastura binti Mansor who is retiring in accordance with Clause 99 of the Constitution of the Company</i>	87,723,365	99.9900	8,794	0.0100	Carried

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

Ordinary Resolution 3	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>	87,723,275	99.9900	8,794	0.0100	Carried

It was RESOLVED:-

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

ORDINARY RESOLUTION 4
- NON-EXECUTIVE DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Ordinary Resolution 4	VOTE FOR		VOTE AGAINST		Results
	No. of Shares	%	No. of Shares	%	
<i>To approve the Non-Executive Directors' fees of RM505,000 for the financial year ended 31 March 2023 and the payment thereof</i>	87,660,703	99.9838	14,166	0.0162	Carried

It was RESOLVED:-

That the Non-Executive Directors' fees of RM505,000 only for the financial year ended 31 March 2023 be and are hereby approved for payment to the Non-Executive Directors.

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ORDINARY RESOLUTION 5

- BENEFITS PAYABLE TO THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD FROM 6 SEPTEMBER 2023 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY IN YEAR 2024

Ordinary Resolution 5	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 6 September 2023 until the next Annual General Meeting of the Company in year 2024, to be paid quarterly in arrears</i>	87,657,302	99.9800	17,566	0.0200	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 6 September 2023 until the next Annual General Meeting of the Company in year 2024, to be paid quarterly in arrears be and is hereby approved.

ORDINARY RESOLUTION 6

- RE-APPOINTMENT OF AUDITORS

Ordinary Resolution 6	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>	87,731,475	99.9992	694	0.0008	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 7

- 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 (“RENEWAL OF SHAREHOLDERS' MANDATE”)

Ordinary Resolution 7	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>	52,375,895	99.9789	11,044	0.0211	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 31 July 2023 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 8

- AUTHORITY FOR TAN SRI DATO' (DR) WEE HOE SOON @ GOOI HOE SOON 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 Tan Sri Dato' (Dr) Wee Hoe Soon @ Gooi Hoe Soon to continue in office as an Independent Director of the Company</i>	42,460,006 (Tier 1)	100.0000	0	0.0000	Carried
	45,261,097 (Tier 2)	99.9756	11,066	0.0244	Carried

It was RESOLVED:-

That Tan Sri Dato' (Dr) Wee Hoe Soon @ Gooi Hoe Soon be and is hereby retained as an Independent Director of the Company, in accordance with the Malaysian Code on Corporate Governance until the conclusion of the next Annual General Meeting.

CONCLUSION

There being no other matters, the Meeting concluded at 11:59 a.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-FIFTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON TUESDAY, 5 SEPTEMBER 2023

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

Operational & Financial Matters

Q1	<p>Perstima had record-high revenue of RM1.46 billion in FY2023. However, it posted a 24.4% decline in net profit to RM38.49 million (FY2022: RM50.93 million), resulting in a lower net profit margin of 2.63% compared to 3.79% in FY2022 and 6.27% in the year before.</p> <p>Meanwhile, the quarterly result for the period ended 30 June 2023 showed that Perstima turned loss-making with a net loss of RM9.23 million compared to RM31.18 million in Q1FY2023. At the same time, its quarterly revenue fell by 45.5% y-o-y to RM239.16 million from RM438.86 million in the previous year.</p> <p>(a) How likely is it that the Group will incur losses for FY2024?</p> <p>(b) To ensure profitability for FY2024, Perstima said it would continue to intensify the sales and marketing efforts on top of the measures to improve production efficiency and cost savings.</p> <p>What are the steps taken to improve the production efficiency of manufacturing plants?</p> <p>The Binh Duong and Pasir Gudang plants are aged between 20 and 40 years since their commercial production. Do they require significant overhaul and capex to upgrade them for optimal production efficiency?</p> <p>What are the areas available for further cost optimisation? What are the tangible results of these efforts to-date?</p> <p>(c) Based on the financial performance and prospects, please shed some light on the possibility of distributing dividends to shareholders in FY2024.</p>
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PART A : Questions (“Q”) from Minority Shareholders Watch Group and replies (“A”) from the Company (Cont’d)

<p>A1</p>	<p>(a) The Group continues to put in efforts towards profitable FY2024, despite the current environment making it challenging to foresee degree of profitability.</p> <p>(b) Continual line maintenance, upgrading components and improving processes are some of the steps taken to ensure production efficiencies.</p> <p>There were no significant capex required at the Malaysia and Vietnam plants. As any manufacturing plant, significant overhauls and upgrades are part of long term planning, keeping abreast with latest technologies and improving on efficiencies. The Group continues to study and review such planning accordingly.</p> <p>Similarly to the steps taken in 2011 when a Cogeneration unit was installed, the Group continues to be attentive to sustainable practices that also contribute to cost efficiencies. Currently, renewable energy sources are in exploration, with utilities cost benefits targeted for FY2024.</p> <p>(c) The dividend payment for FY2024 takes into consideration a number of factors such as Group’s earnings, future capital requirements, general financial condition, its distributable reserves and other factors considered relevant by the Board.</p>
<p>Q2</p>	<p>In FY2023, Perstima incurred significantly higher finance costs of RM11.65 million (FY2022: RM1.24 million) to service its borrowings which climbed to RM409.5 million as of the end of FY2022 from RM60.09 million in FY2021. As of 31 March 2023, Perstima’s total borrowings declined to RM298.45 million.</p> <p>(a) As of FY2023, about 46% (or RM137.2 million) of Perstima’s total borrowings (or RM137.2 million) are term loans denominated in US dollars with a contractual interest rate of 6.5% (pages 94 and 95 of AR2023).</p> <p>What are the repayment terms (e.g., interest rates, repayment period, prepayment penalty) for the term loans? Can the Company swap the loan to ringgit currency to reduce the forex impact and finance costs?</p>

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

<p>A2</p>	<p>(b) Commenting on the prospect, the Group said it would “carefully look into the financing structure for working capital management”. (Interim Financial Report, 30 June 2023)</p> <p>What is the optimal financing structure to better manage working capital in the current climate? Please elaborate on the strategy taken in capital management.</p> <p>(a) The term loans are repayable in 60 monthly installments commencing on the 25th month after the first disbursement. There are no prepayment penalties for the term loans. The Company has the option to swap the loan to ringgit currency, however cost and benefit analysis indicate a swap is not favourable during the current climate. The Group continues in its efforts to regularly analyze and assess.</p> <p>(b) The Group’s planning to reduce the level of long term borrowings shall lead to a more optimal financing structure. Early repayment of the long term loan is one of the strategies taken in capital management.</p>
<p>Q3</p>	<p>For FY2023, the Vietnamese operation registered 17.9% and 67.27% growth in revenue and segment profit to RM623.2 million and RM74.71 million, respectively. At the same time, its production volume grew by 7.7% y-o-y compared to a reduction of 20.57% in the Pasir Gudang plant.</p> <p>Vietnam is the second largest revenue and profit contributor to the Group, contributing close to 43% of Perstima’s revenue in FY2023.</p> <p>How will the Vietnamese operation perform in FY2024 in contrast to the Malaysian operation? Does the Group expect to see similar growth momentum in Vietnam this year?</p> <p>A3 The growth experienced in Vietnam during FY2023 is not expected for FY2024. The Vietnam subsidiary is similarly experiencing strong headwinds as Malaysia, a reflection of the current global tinplate and tin-free steel market condition.</p>

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

<p>Q4</p>	<p>Perstima’s Philippines subsidiary commenced its commercial operations in August 2022 with a 200,000 metric tonnes (MT) manufacturing capacity per annum. The new operation contributed RM11.6 million of revenue to the Group in FY2023.</p> <p>(a) What is the current utilisation rate for the Philippines, Malaysia and Vietnam plants?</p> <p>(b) What is the expected growth rate for the Philippines operation in terms of revenue and capacity utilised? Have the existing headwinds resulted in a longer than anticipated period for Perstima to fill the idle capacity?</p> <p>(c) What is the outcome of the sales and marketing team’s efforts to recruit major Philippines customers and take up idle capacity?</p>
<p>A4</p>	<p>(a) The utilisation rate for Malaysia and Vietnam ranges between 65% to 70%. As a plant that commenced as recently as 2022, the Philippines has a low utilization rate, as one expects.</p> <p>(b) The existing headwinds has resulted in a longer period than anticipated, however revenue growth and capacity utilization is expected to increase compared to FY2023.</p> <p>(c) Positive progress had been made to recruit local customers’ interest. Perstima Philippine, as the sole local manufacturer, comes with several advantages and this has been actively promoted. Local customers have begun to place repeat orders and the sales team continues to build on the momentum.</p>

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

Shareholder's Name	No.	Description
Tian Wee Yean	1.	Question What is the future outlook of the Company regarding its products sales and others?
		Answer The current environment is making it challenging to foresee the outlook of product sales.
	2.	Question Do BOD/management considering e-vouchers/door gifts for its shareholders/proxies who participating in this RPEV?
		Answer No e-vouchers/door gifts have been considered at the current moment.
Shareholder's Name	No.	Description
Ooi Beng Hooi	3.	Question Refer to page 6 of the Company's 1QFY24 results announcement, there is an item of "Consolidation Adjustment" of RM20.748 million in the Profit and Loss Statement. Please explain why there could be such a large consolidation adjustment when the pre adjustment profit before tax was only RM12.392 million.
		Answer The large consolidation adjustment was related to the intercompany unrealised foreign exchange.

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Shareholder's Name	No.	Description
Chua Song Yun	4.	Question
		In FY2024 Q1 (ended June 2023), the Group's revenue decreased by 45% year-on-year due to lower selling price and lower sales volume and recorded a loss. Does lower demand happen to the whole industry, or only to our Company? Do management expect this challenging situation to persist throughout the year?
		Answer
		The challenging situation is expected to persist throughout the year for the whole tinplate industry.
Shareholder's Name	No.	Description
Lee Woei Luen	5.	Question
		What raw material actually affect the cost of Perstima? Tin or steel? If steel what kind of steel?
		Answer
		Perstima main raw material was cold roll steel, also known as tin mill black plate.

- End -