

**LEON FUAT BERHAD**  
**Registration No. 200601036648 (756407-D)**  
(Incorporated in Malaysia)

Minutes of the 17th Annual General Meeting of Leon Fuat Berhad (“LFB” or the “Company”) held at Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 13 June 2024 at 2.30 p.m.

- Directors Present : Dato’ Lim Cheng Poh (*Independent Non-Executive Chairman*)  
Dato’ Sri Ooi Bin Keong (*Executive Deputy Chairman*)  
Mr. Ooi Seng Khong (*Group Managing Director*)  
Mr. Ooi Kong Tiong (*Executive Director*)  
Mr. Ooi Shang How (*Executive Director*)  
Mr. Ng Kok Teong (*Executive Director*)  
Mr. Chan Kee Loin (*Non-Independent Non-Executive Director*)  
Ms. Thien Shy Wei (*Independent Non-Executive Director*)  
Mr. Wong Sze Yan (*Independent Non-Executive Director*)
- Members of Management : Mr. Ooi Pek Kuan (*Managing Director, Leon Fuat Metal Sdn Bhd*)  
Mr. Ng Kok Wee (*Executive Director, Leon Fuat Metal Sdn Bhd*)  
Mr. Tan Kien Yap (*Chief Financial Officer*)
- In Attendance : Ms. Lim Fei Chia (*Company Secretary*)  
Representing Messrs Baker Tilly Monteiro Heng PLT (External Auditors)  
Mr. Jason Wong Yew Ming  
Ms. Yong Su Ling

**1. INTRODUCTION**

Dato’ Lim Cheng Poh, the Chairman of the Board of Directors presided as the Chairman of the 17th Annual General Meeting (“AGM” or “Meeting”) and welcomed all shareholders present at the AGM of the Company to consider the business as set out in the Notice of the AGM.

The Chairman then introduced to the shareholders his fellow Directors, Chief Financial Officer, Company Secretary and representative of the External Auditors.

**2. PRESENTATION**

The Chairman called upon Mr. Tan Kien Yap, the Chief Financial Officer to make his presentation.

The presentation consists of an overview of the Group and key financial highlights, focusing on the following:

**(I) About Leon Fuat Group**

- a) About Leon Fuat Group, The Rolled Long and Flat Steel Specialist
- In addition to the trading activities, the Group also undertakes activities in the form of cutting, leveling, shearing, profiling, bending, slitting, polishing, production of expanded and perforated metal, as well as manufacturing of welded steel pipes.

- As an established name, the Group has a strong portfolio of customers of more than 3,000 and has a long-standing relationship with the customers.
- b) Products & Services – Welded Steel Pipe, CNC Profile Cut Parts, Rectangular Hollow Sections, Stainless Steel Plates, Expanded Metal and Polished Round Bar.
- c) The Group's structure, principal activities of the subsidiary companies and Board of Directors; and
- d) The Group's key milestones (1972 to 2023).

## **(II) Key Financial Highlights**

- a) Revenue (Yearly - FYE 2019 to FYE 2023);
- b) Revenue (Quarterly – Q1 2023 to Q1 2024);
- c) Segmental Revenue (Processing of Steel Products and Trading of Steel Products (in value and %) (FYE 2022 vs FYE 2023);
- d) Segmental Products Revenue Contribution - Processing of Steel Products and Trading of Steel Products (FYE 2023);
- e) Gross Profit (GP) and GP Margin (Yearly - FYE 2019 to FYE 2023 and Quarterly – Q4 2023 to Q1 2024);
- f) Segmental GP (in value and %) (FYE 2022 vs FYE 2023);
- g) Other Income, Total Operating Costs and Finance Costs (FYE 2021 to FYE 2023);
- h) Quarterly Profit/ (Loss) Before Tax, Profit/ (Loss) After Tax (PAT) (Q4 2023 to Q1 2024); and
- i) Total Equity, Total Assets and Gearing Ratio (FYE 2019 to FYE 2023).

An overview of the key operational updates including the pipeline project undertaken by the subsidiary as well as industry outlook were then presented by Mr. Calvin Ooi, the Executive Director:

## **(III) Key Operational Updates**

### Update on Pipeline Project in Bandar Sultan Suleiman (BSS), Port Klang, Selangor.

- (a) The Group expanded into welded steel pipe manufacturing in FY2019.
- (b) The first phase of the production plant in BSS, Port Klang has been completed, which includes building the plant and installing new machinery.
- (c) The Group has the downstream manufacturing facilities for production of welded steel pipes with existing Phase 1 of the facilities currently having 4 production lines.
- (d) The Group is approaching the final stage installation for Phase 2 of the production facilities, expected to be fully commissioned in the second half of 2024.

### Industry Outlook

- (a) Malaysia economic outlook 2024 - Bank Negara Malaysia ("BNM") sets the tone with growth for Malaysia anticipated at the lower spectrum of its 4.0% - 5.0% forecast, reflecting the broader sentiment of a decelerating global economy. Nevertheless, BNM advises vigilance, pointing to potential risks from a softer global economy, financial market volatilities and geopolitical uncertainties that might disrupt supply chains and influence economic performance.

- (b) Global steel demand 2024 - The anticipated soft landing of the global economy suggests a cautious yet optimistic approach for the steel industry with China's steel demand expected to stabilise in 2024 and potentially decline in 2025
- (c) According RAM Ratings, Malaysia's economy to gain momentum in 2024, projecting growth between 4.5%-5.5% due to an expected upturn in external demand and a stabilisation in global trade and semiconductor sectors.
- (d) This optimistic outlook is tempered by risks such as the global economy's path to a 'soft landing' and potential geopolitical tensions.
- (e) Leon Fuat will continue to monitor steel prices and raw material inputs, negotiate forward contracts where necessary, and manage inventory and operating costs prudently.

#### **(IV) Update on Pipeline Project**

##### **Pipe Production Line Inspection on China & Phase 3 Update**

- (a) Photographs of new pipe machine in testing and ongoing construction work (of production site - interior) were presented.

After the above presentations and upon confirming the presence of the requisite quorum, the Chairman called the Meeting to order.

#### **3. NOTICE**

The Chairman informed that the Notice convening the AGM had been sent to all the shareholders of the Company and the Notice was published in The Star newspaper on 30 April 2024.

With the permission of the Meeting, the Notice convening the AGM was taken as read.

#### **4. VOTING**

The Chairman informed that the voting of the AGM would be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Company appointed Boardroom Share Registrars Sdn. Bhd. as Poll Administrators to conduct the polling process and Synergy Professionals Group Sdn. Bhd. as Scrutineers to verify the poll results.

The polling process for the resolutions will be conducted by the Poll Administrators upon completion of deliberation of each item to be transacted at the Meeting. To facilitate the orderly conduct of the Meeting, the question & answer session would be held after the Meeting had procedurally moved each motion.

5. **AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Chairman informed the Meeting that the first item on the agenda was to receive the Audited Financial Statements of the Company for the financial year ended 31 December 2023 (“AFS”) and the Reports of the Directors and Auditors thereon; which had been circulated to all the shareholders of the Company within the statutory period.

The Auditors’ Report contained in the AFS was taken as read.

The Chairman then invited questions from the floor and there being no questions raised, the AFS of the Company and the Reports of the Directors and Auditors thereon as laid before the Meeting were declared by the Chairman to be duly received.

In accordance with the provision of the Companies Act 2016, which does not require the financial statements and reports to be formally approved by the shareholders, the AFS together with the Reports of Directors and Auditors were tabled for shareholders’ information and would not be put forward for voting.

6. **ORDINARY RESOLUTION 1  
PAYMENT OF DIRECTORS’ FEES AND ALLOWANCES**

The Chairman proceeded to the second item on the agenda. Mr. Tan An Sen proposed and Ms. Ng Siew Mun seconded the following motion:

*“THAT the payment of Directors’ fees and allowances up to RM1,850,000.00 from 14 June 2024 until the next AGM of the Company be hereby approved.”*

There being no questions raised, the Chairman proceeded to the next item on the agenda.

7. **ORDINARY RESOLUTION 2  
APPROVAL OF A FINAL SINGLE TIER DIVIDEND OF 1.5 SEN FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

The Chairman proceeded to the next item on the agenda. The Chairman proposed and Mr. Tan An Sen seconded the following motion:

*“THAT a final single tier dividend of 1.5 sen per share for the financial year ended 31 December 2023 be hereby approved.”*

Mr. Lim Pei Tiam @ Lim Ahat Kiat, the second largest shareholder holding 3,500,000 shares, read before the meeting his letter of even date to the Board of Directors requesting for payment of 50% dividend as a reward to the shareholders of the Company.

The Chairman thanked Mr. Lim and the shareholders for their interest in the Company and informed that the requests and comments of shareholders at this meeting would be deliberated by the Board and Management at its next meeting. The Chairman further explained that the amount of dividend payout would be reviewed and considered by the Board on a conservative stance amidst the current operating landscape.

There being no other questions raised, the Chairman proceeded to the next item on the agenda.

8. **ORDINARY RESOLUTIONS 3, 4, 5 AND 6**  
**RE-ELECTION OF DIRECTORS RETIRING IN ACCORDANCE WITH ARTICLE 92 OF THE COMPANY'S CONSTITUTION**

The Chairman moved on to the next items on the agenda on re-election of Directors.

The Chairman proposed and Ms. Ng Siew Mun seconded the following motion:

Ordinary Resolution 3:

*"THAT Ooi Shang How, who is retiring pursuant to Article 92 of the Company's Constitution and being eligible, be hereby re-elected to office."*

The Chairman proposed and Ms. Ng Siew Mun seconded the following motion:

Ordinary Resolution 4:

*"THAT Mr. Chan Kee Loin, who is retiring pursuant to Article 92 of the Company's Constitution and being eligible, be hereby re-elected to office."*

The Chairman proposed and Mr. Tan An Sen seconded the following motion:

Ordinary Resolution 5:

*"THAT Ms. Thien Shy Wei, who is retiring pursuant to Article 99 of the Company's Constitution and being eligible, be hereby re-elected to office."*

The Chairman proposed and Ms. Ng Siew Mun seconded the following motion:

Ordinary Resolution 5:

*"THAT Mr. Wong Sze Yan, who is retiring pursuant to Article 99 of the Company's Constitution and being eligible, be hereby re-elected to office."*

There being no questions raised, the Chairman move on to the next item on the agenda.

9. **ORDINARY RESOLUTION 7**  
**RE-APPOINTMENT OF AUDITORS**

The next item on the agenda was in relation to the re-appointment of Messrs Baker Tilly Monteiro Heng PLT, who has given their consent for re-appointment as the Company's Auditors for the financial year ending 31 December 2024.

The Chairman proposed and Mr. Tan An Sen seconded the following motion:

*"THAT Messrs. Baker Tilly Monteiro Heng PLT be re-appointed the Auditors of the Company AND THAT the Directors be authorised to fix their remuneration."*

There being no questions raised, the Chairman move on to the next item on the agenda.

10. **ORDINARY RESOLUTION 8**  
**AUTHORITY FOR THE DIRECTORS TO ISSUE SHARES**

The Chairman then moved on to the next item on the agenda and informed that the proposed Resolution 8 was to seek shareholders' approval for the Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016, subject always to the provisions of the Listing Requirements of Bursa Securities and other relevant regulatory authorities, if any.

Ms. Ng Siew Mun proposed and Mr. Tan An Sen seconded the following motion:

*"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act"), and subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental and/or regulatory authorities (if applicable), the Directors be and are hereby empowered to issue and allot new shares in the Company at any time, to such person or persons at such price, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of issue.*

*AND THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company."*

11. **ORDINARY RESOLUTION 9**  
**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF RRPT MANDATE")**

The Chairman informed that the last item on the agenda was to seek shareholders' approval for the Company and its subsidiaries to enter into recurrent related party transactions ("RRPTs") of a revenue or trading nature which are necessary for the Group's day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

The relevant information of the Proposed Renewal of RRPT Mandate was set out in the Company's Circular to Shareholders dated 30 April 2024.

The Interested Directors, Major Shareholders and persons connected to them are:

1. Leon Fuat Holdings Sdn. Bhd.;
2. Dato' Sri Ooi Bin Keong,
3. Ooi Seng Khong,
4. Ooi Kong Tiong,
5. Ng Lam Keong,
6. Ooi Pek Kuan,
7. Ng Kok Teong,
8. Ooi Shang How,
9. Ng Kok Wee,
10. Ong Mung Hsia,

11. Ng Bee Fong,
12. Ooi Shang Yao,
13. Ooi Wai Sang, and
14. NCT & Sons Sdn. Bhd.;

and they shall abstain from voting on this resolution.

Mr. Tan An Sen proposed and Ms. Ng Siew Mun seconded the following motion:

*“THAT subject always to the provisions of the Main Market Listing Requirements of Bursa Securities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature, details as set out in Section 2.5 of the Circular to Shareholders dated 30 April 2024 with the specified classes of related parties mentioned therein which are necessary for the Group’s day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.*

*THAT the approval shall continue to be in force until:*

- (i) *the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the AGM whereby the authority is renewed; or*
- (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 Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or*
- (iii) *revoked or varied by a resolution passed by the shareholders 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 (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Proposed Renewal of RRPT Mandate.”*

## 12. **POLLING PROCESS**

There being no other business to be transacted, the Chairman declared that the registration for the attendance of the AGM closed and informed that poll voting on all the resolutions would be conducted.

The Company Secretary was invited to explain to the shareholders and proxies present the polling procedures and informed that the poll results would be announced as soon as after the Scrutineers have completed their report.

The Chairman adjourned the Meeting at 3.05 p.m. for the polling and verification of poll results.

## 13. **ANNOUNCEMENT OF POLL RESULTS**

At 3.35 p.m., the Meeting reconvened and the Chairman called the Meeting to order.

The Chairman informed that the Scrutineers have completed and submitted their report and based on the poll results displayed on the screen, the Chairman declared that all Resolutions tabled at the Meeting were **CARRIED** as follows:

Resolution	Vote For		Vote Against		Total Votes	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Ordinary Resolution 1</b> Approval of payment of Directors' fees and allowances up to RM1,850,000 from 14 June 2024 until the next AGM of the Company	227,178,100	98.7318	2,918,000	1.2682	230,096,100	100.0
<b>Ordinary Resolution 2</b> Approval of a final single tier dividend of 1.5 sen per share for the financial year ended 31 December 2023	230,096,100	100.0	0	0.000	230,096,100	100.0
<b>Ordinary Resolution 3</b> Re-election of Ooi Shang How as Director	230,096,100	100.0	0	0.000	230,096,100	100.0
<b>Ordinary Resolution 4</b> Re-election of Chan Kee Loin as Director	230,096,100	100.0	0	0.000	230,096,100	100.0
<b>Ordinary Resolution 5</b> Re-election of Thien Shy Wei as Director	230,096,100	100.0	0	0.000	230,096,100	100.0
<b>Ordinary Resolution 6</b> Re-election of Wong Sze Yan as Director	230,096,100	100.0	0	0.00	230,096,100	100.0
<b>Ordinary Resolution 7</b> Re-appointment of Messrs Baker Tilly Monteiro Heng PLT as the Company's Auditors	230,089,100	99.9970	7,000	0.0030	230,096,100	100.0
<b>Ordinary Resolution 8</b> Authority for the Directors to issue shares	230,089,100	99.9970	7,000	0.0030	230,096,100	100.0
<b>Ordinary Resolution 9</b> Proposed Renewal of RRPT Mandate	8,527,300	99.9180	7,000	0.0820	8,534,300	100.0



14. **CLOSURE**

There being no other business, the Chairman declared the Meeting closed at 3.37 p.m. and thanked the shareholders for their attendance.

READ AND CONFIRMED BY

*APPROVED*

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CHAIRMAN

Date: 12 July 2024