

LYSAGHT GALVANIZED STEEL BERHAD

Registration Number: 197901002195 (46426-P)

(Incorporated in Malaysia)

Summary of Minutes of the Postponed Forty-Second Annual General Meeting of Lysaght Galvanized Steel Berhad held on a fully virtual basis through live streaming and online remote voting via the online meeting platform hosted on Securities Services e-Portal at <https://sshsb.net.my/> provided by SS E Solutions Sdn. Bhd. on Monday, 27 September 2021 at 10:00 a.m.

PRESENT

Directors: Dato' Ir. Wan Razali Bin Wan Muda (Chairman)
Mr Chua Tia Bon (Chief Executive Officer)
Mr Ee Beng Guan (Senior Independent Non-Executive Director)
Ir Aik Siaw Kong
Mr Cheam Low Soo
Madam Chew Meu Jong
Mr Chong Sai Sin

IN ATTENDANCE

Ms Lim Chien Joo (Company Secretary)
Ms Adeline Chan Su Lynn (Ernst & Young)

BY INVITATION

Ms Ong Siew Sung (Chief Financial Officer)

The Chairman welcomed the shareholders, proxies and guests to the Meeting.

There being a quorum, he declared the Meeting duly convened.

1. Audited Financial Statements for the financial year ended 31 December 2020 together with the Directors' and Auditors' Reports thereon

The Chairman informed the Meeting that the said Audited Financial Statements are laid before the Annual General Meeting for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of shareholders and hence, the matter would not be put forward for voting.

2. Ordinary Resolution 1 - To declare a final single tier dividend of 1 sen per ordinary share for the financial year ended 31 December 2020

The Chairman informed that the declaration of a final single tier dividend of 1 sen per ordinary share for the financial year ended 31 December 2020 has been reclassified as an Interim Single Tier Dividend of 1 sen per ordinary share for the financial year ended 31 December 2020 and have been paid on 16 July 2021. As such, the Ordinary Resolution 1 was withdrawn.

3. Approval of Resolutions

The Meeting resolved and approved the following resolutions at the meeting by way of poll voting: -

- (a) Ordinary Resolution 2 pertaining the approval of the payment of Directors' Fees of RM432,000/- for the financial year ending 31 December 2021 to the Non-Executive Directors;
- (b) Ordinary Resolution 3 pertaining the approval of the payment of meeting allowances up to RM107,000/- for the financial year ending 31 December 2021 to the Non-Executive Directors;
- (c) Ordinary Resolution 4 pertaining to the re-election of Mr Chong Sai Sin as Director of the Company pursuant to Article 23.4 of the Company's Constitution;
- (d) Ordinary Resolution 5 pertaining to the re-election of Ir. Chua Tia Bon as Director of the Company pursuant to Article 23.4 of the Company's Constitution;
- (e) Ordinary Resolution 6 pertaining to the re-election of Mr Ee Beng Guan as Director of the Company pursuant to Article 23.4 of the Company's Constitution; and
- (f) Ordinary Resolution 7 pertaining the re-appointment of Ernst & Young PLT as Auditors of the Company for the financial year ending 31 December 2021 at such remuneration to be determined by the Directors.

The Chairman informed the Meeting that the Company had received questions from the shareholders transmitted via the text box below the live stream player within the same e-Portal page during the Meeting. Questions from the shareholders were read out and answered by the Chairman, details as follows:

Question and Answer

1. Mr Thavarajan A/L Muthiah Pillai requested the Company to reward the loyal shareholders with evouchers for participating and supporting the Company resolutions in today's AGM.

Reply:

The Company does not practice giving door-gifts to shareholders.

2. Mr Thavarajan A/L Muthiah Pillai enquired of the economic outlook for the Company and the shareholders in view of the Covid-19 pandemic for the next 3 years?

Reply:

As shown in 2nd quarter 2021 results announcement in Bursa Malaysia, the Group's half year 2021 sales was RM26 million with profit before tax of RM0.8 million.

The Company suffered nearly 2 months lockdown in 2021 during MCO 3.0 and EMCO and steel business did not qualify as essential business. Only when Perak moved into Phase 2 in July 2021, stricter SOP was implemented with 80% workforce. However, the Company can only operate less than 80% workforce at any one point of time due to the quarantine regulations imposed on employees for 2 weeks who are in close contact with Covid-19 positive cases.

Despite the issues, the Company will endeavour to do its best.

The Covid-19 pandemic not only disrupted the Company's production process, but the containers shortage in the industry have caused long delay in delivery to overseas customers.

3. Ms Ong Swee Gueh urged the Board to look into paying a substantial amount of special dividend in view of the current low interest environment. By doing so, not only the Board would be able to fulfil the self-actualisation needs at the very peak of Maslow's hierarchy, doing the best that they are capable of doing to assist shareholders, their families and society, this would also improve the circulation of productive capital, assisting to recover our country's economy.

Reply:

The Board's view of preserving cash even when the fixed deposit interest rate is low to ensure the Company has adequate funds for working capital, investment opportunities, to upgrade the factory and incur expansion projects as shown in the Company's capital commitment for property, plant and equipment of RM23 million in page 94 of the 2020 Annual Report.

This is to increase productivity and efficiency of the Company's manufacturing operations.

4. Ms Ong Swee Gueh enquired on how much additional capacity/floor space has been added to the Company's production facilities in light that the construction of factory extension building has been completed during 2nd quarter 2020.

Reply:

Approximately 90,000 square feet.

5. Ms Ong Swee Gueh enquired of the RM23.3 million budget allocated for the purpose of consolidation and amalgamation of the current and new factories spent to date.

Reply:

Approximately RM1.1 million.

6. Ms Ong Swee Gueh enquired whether the Company is involved in the manufacturing of 5G telecommunication towers.

Reply:

We are involved in the manufacturing of 5G antenna masts.

7. Ms Ong Swee Gueh noted that the Board has in recent years' results notes highlighted the increased competition with lower quality products and enquired whether these lower quality products are originated from local or overseas.

Reply:

The Company's competitors are from local and overseas market.

8. Mr Lau Chuan Hooi enquired of the cost saving of this virtual AGM as compared to the physical AGM?

Reply:

The virtual AGM cost is more expensive than physical AGM.

9. Mr Lim San Kim enquired how many participants attending this AGM.

Reply:

There are 9 participants attending at the commencement of this virtual AGM.

The results of the poll as follows:-

	No. of Shareholders	Voted For No. of shares	%	Voted Against No. of Shareholders	No. of shares	%
Ordinary Resolution 2	37	23,190,408	74.6498	8	7,875,201	25.3502
Ordinary Resolution 3	32	23,160,408	74.5532	13	7,905,201	25.4468
Ordinary Resolution 4	40	23,192,409	74.6562	5	7,873,200	25.3438
Ordinary Resolution 5	40	23,192,409	74.6562	5	7,873,200	25.3438
Ordinary Resolution 6	40	23,192,409	74.6562	5	7,873,200	25.3438
Ordinary Resolution 7	40	23,257,009	74.6944	6	7,879,200	25.3056

The Chairman then declared the above resolutions carried.

4. Close of Meeting

The Annual General Meeting adjourned at 10:55 a.m.