

MEMORANDUM OF UNDERSTANDING SOUTHERN STEEL BERHAD ("SSB" OR THE "COMPANY") MEMORANDUM OF UNDERSTANDING FOR THE FORMATION OF A STRATEGIC ALLIANCE BETWEEN SSB AND ANN JOO RESOURCES BERHAD ("AJRB") IN RELATION TO THE LONG PRODUCT STEEL MANUFACTURING BUSINESSES OF SSB AND AJRB THROUGH A JOINT VENTURE COMPANY ("MOU")

SOUTHERN STEEL BERHAD

Type	Announcement
Subject	MEMORANDUM OF UNDERSTANDING
Description	SOUTHERN STEEL BERHAD ("SSB" OR THE "COMPANY") MEMORANDUM OF UNDERSTANDING FOR THE FORMATION OF A STRATEGIC ALLIANCE BETWEEN SSB AND ANN JOO RESOURCES BERHAD ("AJRB") IN RELATION TO THE LONG PRODUCT STEEL MANUFACTURING BUSINESSES OF SSB AND AJRB THROUGH A JOINT VENTURE COMPANY ("MOU")

Reference is made to the Company's announcements dated 7 October 2019, 6 January 2020, 25 February 2020, 6 April 2020 and 18 May 2020 in relation to the MOU ("**Announcements**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the aforesaid Announcements.

On behalf of the Board of Directors of SSB, Hong Leong Investment Bank Berhad wishes to announce that SSB and AJRB have, via a mutual termination agreement dated 27 May 2020 ("**Termination Agreement**"), mutually agreed to terminate the MOU with immediate effect due to uncertain market conditions caused by the Covid-19 pandemic.

The termination of the MOU is not expected to have any material effect on the consolidated earnings and net assets per share of the Company for the financial year ending 30 June 2020.

A copy of the Termination Agreement will be made available for inspection at the registered office of SSB at Level 31, Menara Hong Leong, No. 6, Jalan Damanela, Bukit Damansara, 50490 Kuala Lumpur during normal business hours from Mondays to Fridays (except public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 27 May 2020.

Announcement Info

Company Name	SOUTHERN STEEL BERHAD
Stock Name	SSTEEL
Date Announced	27 May 2020
Category	General Announcement for PLC
Reference Number	GA1-27052020-00005