

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty-ninth Annual General Meeting of Southern Steel Berhad ("the Company") will be held virtually through live streaming from the broadcast venue at the Auditorium, Ground Floor, Menara Hong Leong, No. 6, Jalan Damaniela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia on Wednesday, 1 December 2021 at 3:00 p.m. in order:

- To lay before the meeting the audited financial statements together with the reports of the Directors and Auditors thereon for the financial year ended 30 June 2021. **Resolution 1**
- To approve the payment of Director Fees of RM503,287/- (2020: RM500,000/-) for the financial year ended 30 June 2021 to be divided amongst the Directors in such manner as the Directors may determine and Directors' Other Benefits of up to an amount of RM42,000/- from the Fifty-ninth Annual General Meeting ("AGM") to the Sixtieth AGM of the Company. **Resolution 1**
- To re-elect the following Directors pursuant to the Company's Constitution:
 - YBhg Dato' Dr Tan Tat Wai **Resolution 2**
 - YBhg Dato' Ahmad Johari Bin Abdul Razak **Resolution 3**
 - YBhg Dato' Tan Ang Meng **Resolution 4**
 - Mr Yeoh Choon Kwee. **Resolution 5**
- To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 6**

SPECIAL BUSINESS

As special business, to consider and, if thought fit, pass the following motions:

5. Ordinary Resolution

- Authority To Directors To Allot Shares

"THAT subject to the Companies Act 2016 ("Act"), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company's Constitution and approval of the relevant governmental regulatory authorities, if required, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to allot shares in the Company, grant rights to subscribe for shares in the Company, convert any security into shares in the Company, or allot shares under an agreement or option or offer at any time and from time to time, and 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 and allotted, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so allotted on Bursa Securities and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." **Resolution 7**

6. Ordinary Resolution

- Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature With Hong Leong Company (Malaysia) Berhad ("HLCM"), GuoLine Capital Assets Limited ("GCA") And Persons Connected With Them

"THAT approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3(A) of the Circular to Shareholders dated 28 October 2021 with HLCM, GCA and persons connected with them ("Hong Leong Group") provided that such transactions are undertaken in the ordinary course of business, on commercial terms which are not more favourable to the Hong Leong Group than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders;

AND THAT such approval shall continue to be in force until:

- 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; or
- the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution." **Resolution 8**

7. Ordinary Resolution

- Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature With Hong Bee Hardware Company, Sdn Berhad ("Hong Bee Hardware") And Its Subsidiary

Proposed ordinary motion is the same as Ordinary Resolution 8 above except that (a) the recurrent related party transactions are as disclosed in Section 2.3(B) of the Circular to Shareholders dated 28 October 2021; and (b) the Related Party is "Hong Bee Hardware and its subsidiary" **Resolution 9**

8. Ordinary Resolution

- Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature With Hong Leong Investment Holdings Pte. Ltd. ("HLIH") And Persons Connected With HLIH

Proposed ordinary motion is the same as Ordinary Resolution 8 above except that (a) the recurrent related party transactions are as disclosed in Section 2.3(B) of the Circular to Shareholders dated 28 October 2021; and (b) the Related Party is "HLIH and persons connected with HLIH". **Resolution 10**

- To consider any other business of which due notice shall have been given.

By Order of the Board

Wong Wei Fong

SSM PC No. 201908001352 MAICSA 7006751

Zoe Lim Hoon Hwa

SSM PC No. 202108000147 MAICSA 7031771

Company Secretaries

Kuala Lumpur

28 October 2021

Notes:

- The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which stipulates that the main venue of the Annual General Meeting ("AGM") shall be held in Malaysia and the Chairman shall be present at the main venue of the AGM. No shareholders/proxies will be allowed to be physically present at the broadcast venue of the AGM. Please refer to the Administrative Notes to Shareholders for the detailed steps on remote participation and electronic voting.
- For the purpose of determining members' eligibility to attend this meeting, only members whose names appear in the Record of Depositors as at 24 November 2021 shall be entitled to attend this meeting or appoint proxy(ies) to attend and vote on their behalf.
- Save for a member who is an exempt authorised nominee, a member entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend, participate and vote in his stead. A proxy may but need not be a member of the Company. A member who is an authorised nominee may appoint not more than two (2) proxies in respect of each securities account it holds. A member who is an exempt authorised nominee for multiple beneficial owners in one (1) securities account ("Omnibus Account") may appoint any number of proxies in respect of the Omnibus Account.
- Where two (2) or more proxies are appointed, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which the appointments shall be invalid.
- The Form of Proxy must be deposited at the Registered Office of the Company at Level 31, Menara Hong Leong, No. 6, Jalan Damaniela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia or lodged electronically via email at cosec-hlmg@hongleong.com.my not less than forty-eight (48) hours before the time appointed for holding of the meeting or adjourned meeting.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to a vote by way of a poll.

Explanatory Notes:

1. Resolution 1 - Director Fees And Directors' Other Benefits

Director Fees of RM503,287/- are inclusive of Board Committee Fees of RM200,000/-; and Directors' Other Benefits refer to Directors and Officers Liability Insurance coverage based on premium paid/payable and Directors' training benefits of up to an amount of RM42,000/-.

2. Resolutions 2 to 5 - Re-election of Directors

The Nominating Committee ("NC") has considered the performance and contribution of each of the retiring Directors and have also assessed the independence of the Independent Non-Executive Directors ("INDs") seeking for re-election at the Fifty-ninth Annual General Meeting ("AGM"). Based on the results of the Board Annual Assessment conducted for the financial year ended 30 June 2021, the performance of each of the retiring Directors was found to be satisfactory with the retiring IDs complied with the independence criteria as required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Board has endorsed the NC's recommendation on the re-election of the retiring Directors. The retiring Directors had abstained from deliberations and decisions on their own re-election at the NC and Board meetings.

The details and profiles of the Directors who are standing for re-election at the Fifty-ninth AGM are provided in the Board of Directors section on pages 3 to 6 of the Company's Annual Report 2021.

3. Resolution 7 - Authority To Directors To Allot Shares

The proposed ordinary resolution, if passed, will renew the general mandate given to the Directors of the Company to allot ordinary shares of the Company from time to time and expand the mandate to grant rights to subscribe for shares in the Company, convert any security into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares issued and allotted, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being ("Renewed General Mandate"). In computing the aforesaid 10% limit, shares issued or agreed to be issued or subscribed pursuant to the approval of shareholders in a general meeting where precise terms and conditions are approved shall not be counted. The Renewed General Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

As at the date of this Notice, no new shares in the Company were issued and allotted pursuant to the general mandate given to the Directors at the last AGM held on 23 November 2020 and which will lapse at the conclusion of the Fifty-ninth AGM. The Renewed General Mandate will enable the Directors to take swift action in case of, *inter alia*, a need for corporate exercises or in the event business opportunities or other circumstances arise which involve the issuance and allotment of new shares, grant of rights to subscribe for shares, conversion of any security into shares, or allotment of shares under an agreement or option or offer, and to avoid delay and cost in convening general meetings to approve the same.

4. Resolutions 8 to 10 - Proposed Renewal Of Shareholders' Mandates For Recurrent Related Party Transactions Of A Revenue Or Trading Nature

The proposed ordinary resolutions, if passed, will empower the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Southern Steel Berhad Group, subject to the transactions being in the ordinary course of business and on terms which are not more favourable to the related parties than those generally available to and/or from the public and are not, in the Company's opinion, detrimental to the minority shareholders of the Company ("Proposed Shareholders' Mandate").

Detailed information on the Proposed Shareholders' Mandate is set out in the Circular to Shareholders dated 28 October 2021 which is available on the Company's website at www.southsteel.com/gm-current.