



## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting of Leader Steel Holdings Berhad ("LSH" or the "Company") will be held at 2nd Floor, Wisma Leader Steel, Plot 85, Lorong Perusahaan Utama, Kawasan Perusahaan Bukit Tengah, 14000 Bukit Tengah, Seberang Perai Tengah, Pulau Pinang, Malaysia on Monday, 30 May 2022 at 1.00 p.m. or immediately after the conclusion or adjournment of the Twenty-Ninth Annual General Meeting of the Company to be held at the same venue on the same day at 12.15 p.m., whichever is later, for the purpose of considering and, if thought fit, passing the following resolutions, with or without any modifications:-

### **ORDINARY RESOLUTION 1**

**PROPOSED PRIVATE PLACEMENT OF UP TO 40,359,700 NEW ORDINARY SHARES IN THE COMPANY ("LSH SHARES" OR THE "SHARES") ("PLACEMENT SHARES"), REPRESENTING UP TO APPROXIMATELY 30% OF THE EXISTING TOTAL NUMBER OF ISSUED SHARES, TO INDEPENDENT THIRD PARTY INVESTOR(S) TO BE IDENTIFIED AND AT AN ISSUE PRICE TO BE DETERMINED LATER ("PROPOSED PRIVATE PLACEMENT")**

**"THAT** subject to all approvals and/or consents of the relevant authorities and/or parties being obtained, approval be and is hereby given to the Board of Directors of the Company ("Board") to allot and issue up to 40,359,700 Placement Shares by way of private placement to independent third party investor(s) to be identified later in 1 or more tranches at an issue price for each tranche to be determined at a later date by the Board ("Price-Fixing Date") upon such terms and conditions as disclosed in the circular to the shareholders of the Company dated 13 May 2022 ("Circular");

**THAT** the issue price for each tranche of the Placement Shares will be determined based on a discount of not more than 20% to the 5-market day volume weighted average market price of the Shares up to and including the last trading day immediately prior to the Price-Fixing Date;

**THAT** the Board be and is hereby authorised to use the proceeds to be derived from the Proposed Private Placement for such purposes as set out in the Circular and the Board be and is hereby authorised with full power to vary the manner and/or purpose of the use of such proceeds from the Proposed Private Placement in the manner as the Board may deem fit, necessary and/or expedient, subject to the approval of the relevant authorities (where required) and in the best interest of the Company;

**THAT** such Placement Shares shall, upon allotment, issuance and full payment of the issue price, rank equally in all respects with the then existing issued Shares;

**THAT** the Directors be and are hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements as may be necessary to give effect and complete the Proposed Private Placement and to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Directors may deem necessary in the interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise, give full effect and to complete the Proposed Private Placement;

**AND THAT** this Ordinary Resolution 1 constitutes specific approval for the issuance of shares in the Company contemplated herein and shall continue in full force and effect until all Placement Shares to be issued pursuant to or in connection with the Proposed Private Placement have been duly allotted and issued in accordance with the terms of the Proposed Private Placement."

### **ORDINARY RESOLUTION 2**

**PROPOSED ESTABLISHMENT AND IMPLEMENTATION OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS" OR THE "SCHEME") INVOLVING UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES (EXCLUDING TREASURY SHARES) FOR ELIGIBLE DIRECTORS AND EMPLOYEES OF LSH AND ITS SUBSIDIARIES ("GROUP") (EXCLUDING DORMANT SUBSIDIARIES) ("PROPOSED ESOS")**

**"THAT** subject to all approvals and/or consents of the relevant authorities and/or parties being obtained, approval be and is hereby given for the Company to establish the Scheme involving up to 15% of the total number of issued Shares from time to time (excluding treasury shares) for the benefit of eligible directors and eligible employees of the Group (excluding dormant subsidiaries) and the Board be and is hereby authorised to:-

- (i) implement and administer the Scheme in accordance with the by-laws governing the Scheme ("By-laws"), a draft of which is set out in Appendix II of the Circular, to approve and adopt the By-laws and to give full effect to the Scheme with full powers to assent to any conditions, variations, modifications and/or amendments as may be required by the relevant authorities or as may be deemed fit or necessary by the Board at its discretion;
- (ii) make the necessary applications to Bursa Malaysia Securities Berhad ("Bursa Securities") and do all the things necessary at the appropriate time or times for the listing and quotation of the new Shares which may from time to time be allotted and issued arising from the exercise of the options granted under the Scheme ("ESOS Options");
- (iii) allot and issue from time to time such number of new Shares as may be required arising from the exercise of the ESOS Options provided that the aggregate number of new Shares to be allotted and issued under the Scheme shall not exceed 15% of the total number of issued Shares (excluding treasury shares) at any point of time over the duration of the Scheme. The Shares to be allotted and issued upon the exercise of any ESOS Options granted under the Scheme will be subject to the provisions of the Constitution of the Company and will, upon allotment and issuance, rank *pari passu* in all respects with the then existing issued Shares, save and except that the Shares so allotted and issued will not be entitled to any dividends, rights, allotments or other distributions, which may be declared, made or paid to shareholders of the Company, the entitlement date of which is prior to the date of allotment and issuance of such new Shares;
- (iv) modify and/or amend the By-laws from time to time as may be required or permitted by the authorities or deemed necessary by the authorities or the Board provided that such modifications and/or amendments are effected in accordance with the provisions of the By-laws relating to modifications and/or amendments and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Scheme;
- (v) extend the duration of the Scheme, provided always that such extension of the Scheme made pursuant to the By-laws shall not in aggregate exceed a duration of 10 years from the date on which the Scheme shall take effect following full compliance with all relevant requirements without having to obtain any further sanction, approval, consent or authorisation of the shareholders of the Company in a general meeting; and
- (vi) to do all such acts, deeds and things to execute, sign and deliver on behalf of the Company all such documents and enter into any arrangements, agreements and/or undertakings with any party or parties as the Board may deem fit, necessary or expedient or appropriate in order to give full effect to the Proposed ESOS and terms of the By-laws with full powers to assent to any terms, conditions, modifications, variations and/or amendments as may be required by the relevant authorities or deemed necessary by the Board in the best interest of the Company;

**THAT** the By-laws of the Scheme, a draft of which is set out in Appendix II of the Circular, be and is hereby approved and adopted;

**AND THAT** the Board be and is hereby authorised to give effect to the Proposed ESOS with full powers to consent to and to adopt and implement such conditions, modifications, variations and/or amendments as may be required by the relevant regulatory authorities or as the Board may deem fit or necessary at its absolute discretion."

### **ORDINARY RESOLUTIONS 3 TO 10**

#### **PROPOSED ALLOCATION OF ESOS OPTIONS TO DIRECTORS**

**"THAT** subject to the passing of the Ordinary Resolution 2 above and subject to all approvals and/or consents of the relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee, at any time and from time to time throughout the duration of the ESOS, to offer and grant to the following Directors, ESOS Options to subscribe for new Shares under the ESOS:-

- |                                       |                        |
|---------------------------------------|------------------------|
| (i) Tan Sri Dato' Mohd Desa Bin Pachi | Ordinary Resolution 3  |
| (ii) Dato' Goh Cheng Huat             | Ordinary Resolution 4  |
| (iii) Datin Tan Pak Say               | Ordinary Resolution 5  |
| (iv) Goh Wan Jing                     | Ordinary Resolution 6  |
| (v) Lim Leng Han                      | Ordinary Resolution 7  |
| (vi) Datuk Abdullah bin Haji Kuntom   | Ordinary Resolution 8  |
| (vii) Mohd. Arif bin Mastol           | Ordinary Resolution 9  |
| (viii) Abdull Sukor bin Ismail        | Ordinary Resolution 10 |

provided always that:-

- (i) he/she shall not participate in the deliberation or discussion of his/her own allocation as well as allocation to persons connected with him/her;
- (ii) the allocation to him/her, who singly or collectively through persons connected with him/her, holds 20% or more of the total number of issued Shares (excluding treasury shares), shall not exceed 10% of the total number of new Shares to be issued under the Scheme; and
- (iii) such offer and grant of ESOS Options are subject always to such terms and conditions and/or adjustments which may be made in accordance with the provisions of the By-laws, the Main Market Listing Requirements of Bursa Securities or any prevailing guidelines issued by Bursa Securities or any other relevant authority, as amended from time to time;

**THAT** the Board is authorised to allot and issue such number of new Shares arising from the exercise of the ESOS Options issued under the Scheme;

**AND THAT** the Shares to be allotted and issued upon the exercise of any ESOS Options granted under the Scheme will be subject to the provisions of the Constitution of the Company and will, upon allotment and issuance, rank *pari passu* in all respects with the then existing issued Shares, save and except that the Shares so allotted and issued will not be entitled to any dividends, rights, allotments or other distributions, which may be declared, made or paid to shareholders of the Company, the entitlement date of which is prior to the date of allotment and issuance of such new Shares."

By Order of the Board

#### **LEADER STEEL HOLDINGS BERHAD**

**Tai Yit Chan (MAICSA 7009143) (SSM PC No. 202008001023)**

**Ong Tze-En (MAICSA 7026537) (SSM PC No. 202008003397)**

Joint Company Secretaries

Penang

13 May 2022

#### **Notes:-**

1. A member of the Company entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint not more than two (2) proxies to attend and vote in his stead at the meeting, and that a proxy may but need not be a member. There shall be no restriction as to the qualification of the proxy. Where a member appoints more than one (1) proxy, he shall specify the proportion of his holdings to be represented by each proxy, failing which the appointment shall be invalid. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
2. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
3. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds. Where an Exempt Authorised Nominee appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall be invalid unless the Exempt Authorised Nominee specifies the proportion of its shareholding to be represented by each proxy. An Exempt Authorised Nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or, if the appointer is a corporation, either under its Common Seal, or under the hand of an officer or attorney duly authorised. A proxy must be of full age. An instrument appointing a proxy to vote shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointer. Members not resident in Malaysia may appoint and revoke proxies by cable.
5. For the proxy to be valid, the Form of Proxy duly completed must be deposited at the Company's registered office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
6. In respect of deposited securities, only a depositor whose name appears on the Record of Depositors on 23 May 2022 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.