



**LEADER STEEL HOLDINGS BERHAD**  
Registration No.: 200001024664 (527272-V)  
(Incorporated in Malaysia)

## **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 virtually at 12th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim Seksyen 13, 46200 Petaling Jaya, Selangor and entirely via Remote Participation and Electronic Voting (“**RPEV**”) facilities through meeting platform at <https://meeting.boardroomlimited.my> on Monday, 3 April 2023 at 12:30 pm or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolution, with or without any modifications:-

### **ORDINARY RESOLUTION 1**

#### **PROPOSED WAIVER FROM THE SHAREHOLDERS TO WAIVE THEIR PRE-EMPTIVE RIGHTS UNDER SECTION 85 OF THE COMPANIES ACT 2016 AND CLAUSE 66 OF THE COMPANY’S CONSTITUTION (“PROPOSED WAIVER”)**

“THAT the Board had on 30 May 2022 at the Extraordinary General Meeting obtained the approval from the shareholders for the authority to allot and issue up to 40,359,700 new ordinary shares of LSH (“**Shares**”) by way of private placement to independent third party investor(s) to be identified later (“**Private Placement**”) and to establish the LSH Employees’ share option 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) (“**ESOS**”).

THAT pursuant to Section 85(1) of the Act to be read together with Clause 66 of the Constitution of the Company, all new shares or other convertible securities in the Company shall, before they are issued, be first offered to such persons who are entitled to receive notices from the Company of general meetings as at the date of the offer in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled (“**Pre-emptive Rights**”).

AND THAT should this resolution be passed by the Shareholders, this resolution shall have the effect of the Shareholders having agreed to irrevocably waive their Pre-emptive Rights pursuant to Section 85(1) of the Act and Clause 66 of the Constitution of the Company in respect of the new Shares to be allotted and issued by the Company pursuant to the Private Placement and ESOS and the issuance of such new Shares of the Company will result in a dilution to their shareholding percentage in the Company. Subsequent to the passing of this resolution, if this paragraph is or is found to be in any way void, invalid or unenforceable, then this paragraph shall be ineffective to the extent of such voidness, invalidity or unenforceability and the remaining provisions of this resolution shall remain in full force and effect.”

### **ORDINARY RESOLUTION 2**

#### **PROPOSED ALLOCATION OF OPTIONS UNDER THE EMPLOYEES’ SHARE OPTION SCHEME (“ESOS”) TO A DIRECTOR OF A SUBSIDIARY, NAMELY, GOH HONG KENT (“PROPOSED ALLOCATION OF OPTIONS”)**

“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 (“**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 Goh Hong Kent, ESOS Options to subscribe for new Shares under the ESOS:

provided always that:

- (i) he shall not participate in the deliberation or discussion of his own allocation as well as allocation to persons connected with him;
- (ii) the allocation to him, who singly or collectively through persons connected with him, 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 Malaysia Securities Berhad (“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 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.

THAT pursuant to Section 85(1) of the Act to be read together with Clause 66 of the Constitution of the Company, all new shares or other convertible securities in the Company shall, before they are issued, be first offered to such persons who are entitled to receive notices from the Company of general meetings as at the date of the offer in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled ("**Pre-emptive Rights**").

AND THAT should this resolution be passed by the Shareholders, this resolution shall have the effect of the Shareholders having agreed to irrevocably waive their Pre-emptive Rights pursuant to Section 85(1) of the Act and Clause 66 of the Constitution of the Company in respect of the new Shares to be allotted and issued by the Company pursuant to the Private Placement and ESOS and the issuance of such new Shares of the Company will result in a dilution to their shareholding percentage in the Company. Subsequent to the passing of this resolution, if this paragraph is or is found to be in any way void, invalid or unenforceable, then this paragraph shall be ineffective to the extent of such voidness, invalidity or unenforceability and the remaining provisions of this resolution shall remain in full force and effect."

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  
18 March 2023

Notes:

1. The EGM would be held entirely via RPEV facilities through meeting platform at <https://meeting.boardroomlimited.my>. Kindly refer to the Administrative Guide for the EGM in order to register, participate and vote remotely via the RPEV facilities.
2. The online meeting platform is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the chairman of the meeting to be present at the main venue of the meeting. Shareholders / proxies from the public WILL NOT BE ALLOWED to be physically present. Shareholders who wish to participate in the EGM will have to register online and attend remotely. Kindly read and follow the procedures in the Administrative Guide for the EGM in order to participate remotely.
3. 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.
4. 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.
5. 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.
6. 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.
7. For the proxy to be valid, the Form of Proxy duly completed must be deposited / submitted via the following ways at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
  - (i) By hardcopy form  
The Form of Proxy must be deposited at the Registered Office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia

(ii) By electronic form

The Form of Proxy can be electronically submitted through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>. Please refer to the Administrative Guide for the procedures on electronics lodgement of Form of Proxy.

8. In respect of deposited securities, only members whose names appear on the Record of Depositors on 27 March 2023 (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.

#### **Explanatory Note**

Pursuant to Section 85(1) of the Companies Act 2016 read together with Clause 66 of the Company's Constitution, the existing shareholders of the Company have pre-emptive rights to be offered any new shares which will rank equally to the existing Shares issued by the Company.

Section 85(1) of the Companies Act 2016 provides that:

*"Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."*

Clause 66 of the Constitution of our Company states that:

*"Unless otherwise determined by the Company in general meeting any original shares or securities for the time being unissued and not allotted as provided in this Constitution and any new shares or securities from time to time to be created shall, before they are issued, be offered to the members in proportion, as nearly as may be, to the number of shares or securities held by them. Such offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of the same in such manner as they think fit most beneficial to the Company. The Directors may, in like manner dispose of any such new or original shares or securities as aforesaid, which, by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid, or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in manner herein before provided."*

By voting in favour of the proposed Ordinary Resolutions, you will also approve the disapplication of the pre-emptive rights under Section 85(1) of the Companies Act 2016 read together with Clause 66 of the Company's Constitution to be first offered such new Shares or new Options to be allotted and issued by the Company pursuant to the Private Placement or ESOS, which will result in a dilution to your shareholding in the Company.

The details of the Proposed Waiver and the Proposed Allocation of Options are set out in the circular to shareholders dated 18 March 2023, which is available on the Company's website at [www.leadersteel.my](http://www.leadersteel.my).