



2024 ANNUAL GENERAL MEETING

20 JUNE 2024

LIVE AGM QUESTIONS AND RESPONSES

Question: What is the steel industry's market outlook for 2024?

Response by Deputy CEO: Global steel prices are expected to remain under pressure and volatile amid slower economic growth and rising supply. We expect this downward trend to persist as long as these risks remains.

The domestic steel industry and steel demand will largely depend on foreign investment projects, the Government's steady rollout of mega infrastructure projects, private consumption and pickup in construction activities.

Question: What is the Company's dividend policy

Response by Deputy CEO: We do not have a dividend policy. However, we endeavour to reward our shareholders with dividends whenever the company makes profits, have strong cash flow with no major capital expenditure needs.

Question: What is the Group's business strategy/plans for 2024?

Response by Deputy CEO:

- i. Explore market share expansion by increasing business network covering Klang Valley, East Malaysia and Singapore
- ii. Enhance the quality and delivery of our products
- iii. Costs optimisation
- iv. Employ prudent inventory management

Question: Please explain the Group's performance for 2023.

Response by Deputy CEO:

Lower Profit before tax in 2023 attributed to:

- Softer market demand
- Weaker profit margins due to lower average selling prices



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Question: What was the Group's GP margin and is it a norm in the industry?

Response by Deputy CEO: The Group's Gross profit margin for 2023 was 7%. Compared to our competitors, the Group's margin was within the industry average.

Question: Which business segment was the bigger contributor to the Group's revenue?

Response by Deputy CEO:

2023

Trading : 65%

Manufacturing : 35%

Question: What was the export market contribution to total Group revenue?

Response by Deputy CEO:

Singapore:

2023: 14% - RM56 million

2022: 12% - RM35 million

Question: Will 2024 Be Better Than 2023 Or Be Worse Due To New Challenges?

Response: We hope that with the roll out of mega infrastructure projects and private construction (Data centres, etc), steel demand will be better for 2024.

Question: What are the Top 3 Challenges In 2024 and 2025?

Response:

- 1. Speedy rollout of infra projects;**
- 2. Volatility of global steel prices; and**
- 3. Global oversupply situation**

Question: Please consider giving e-voucher as token for supporting the company

Response: We will consider this in the future.



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Question: Is China Affecting Choo Bee?

Response: Being a major steel producer and consumer, the lackluster steel demand in China has an impact in global steel prices.

Question: May I know, what is the company's future outlook?

Response: Global steel prices are expected to remain under pressure and volatile amid slower economic growth and rising supply. We expect this downward trend to persist as long as these risks remains.

The domestic steel industry and steel demand will largely depend on foreign investment projects, the Government's steady rollout of mega infrastructure projects, private consumption and pickup in construction activities.

Question: Is there any impact of Company affected from diesel subsidy?

Response: Yes, the increase in diesel prices is expected to have some impact to our logistical costs.

Question: Why the total director remuneration remain high at 4.2m although net profit drop to 1.2m?

Response: Director's remuneration is within the industry norm.

Question: This is a good Company in capable hands. I remain a loyal shareholder.

Response: Thank you for your kind words. We strive to remain competitive and add value to our shareholders.