NON-CONFIDENTIAL

Company: Roii Innovation Industries (M) Sdn Bhd

Comments for Section F and Section G

(1) **Background of Roii Innovation Industries (M) Sdn Bhd**

Roii Innovation Industries (M) Sdn Bhd [formerly known as Kina Roof Industries (Sabah) Sdn Bhd] is one of the most complete innovative Cold Roll Form ("CRF") iron and steel products manufacturing plant in Sabah and Sarawak equipped with over *** forming machines located at Kota Kinabalu Industrial Park, Sabah operating since 2008. We are a genuine hardworking industrialist as **a 100% Domestic Direct Investment** who has invested more than RM*** million to purchase the factory site, build a modern factory and bring in the latest technology with automatic and semi-automatic machines which has created more than *** job opportunities for all locals (not a single foreign worker attribute to our long-term policy only employs the local). We are continuously investing and have built another new factory to produce innovative products which are more effective and convenient that provide another *** new job opportunities for locals.

(2) Our Company Role in the Supply Chain

With the establishment of these fully equipped factories, we are now a major supplier and contributor in producing Cold Roll Form ("CRF") building material products for Government projects, private projects, hardware shops and also low-income earners (B40 group) in both Sabah and Sarawak.

Please refer to our Product Brochure (in *Appendix ROII-3.3*) which we continue in R&D to produce various iron and steel products that are innovative, in terms of 'user friendly', cost-saving for use in various levels of Government projects up to Zinc Kampong roofing products which are a basic need for low-income earners. The Product Brochure describes various products that are useful in every part of the building.

(3) Our Raw Material under H.S. Code 7210.61.1100 was Exempted from previous Anti-Dumping Duty Gazette

Our company had participated in the original investigation P.U.(B)177/2020 lodged by the same Petitioner (NS BlueScope Malaysia Sdn Bhd). Due to the raw material identified as [specification of material] under H.S. Code 7210.61.1100 was not produced by the Petitioner, when the Federal Government Gazette P.U.(A)348/2020 was issued, our Company was granted an exemption for the said material which were extended on yearly basis. The exemptions of Anti-dumping Duty granted to our Company ended on 11/12/2025 when the Federal Government Gazette P.U.(A)348/2020 period ended.

(4) **NS BlueScope Malaysia Sdn Bhd does not produce all material under H.S. Code 7210.61.1100**

From the previous original investigation P.U.(B)177/2020 lodged by the same Petitioner and due to many of our raw materials were not produced by this sole local mill, NS BlueScope Malaysia Sdn Bhd (which is a foreign owned company), we have no choice and have to rely on imports from other countries such as China and Vietnam. We have to import our raw materials under H.S. Code 7210.61.1100 which are not produced in Malaysia however they are subjected to import duty of ***%.

On 9 January 2025, when we apply the extension of import duty exemption from MIDA, it has to go through a Confirmation of Local Availability ("CLA") Meeting by Joint Committee comprising of Malaysian Iron and Steel Industry Federation ("MISIF") and Malaysia Steel Association (MSA). After our deliberation of feedback from NS BlueScope Malaysia Sdn Bhd (kindly refer to *Appendix ROII-7.1* for CLA Form 2 and our letter to MISIF dated 19/2/2025 bearing Reference No. ROII/250219/MISIF in *Appendix ROII-7.2*), the Joint Committee and NS BlueScope Malaysia Sdn Bhd had no objection for our Company to import particularly the raw material under H.S. Code 7210.61.1100 (kindly refer to *Appendix ROII-7.3* for CLA Form 2 signed on 20/2/2025).

Subsequent year, on 14 January 2026 when we apply the extension of exemption of import duty from MIDA, that go through MISIF, there is no objection from any of the local mills including NS BlueScope Malaysia Sdn Bhd (kindly refer to *Appendix ROII-7.4* for CLA Form 2 signed on 22/1/2026).

Attached in *Appendix ROII-7.5* is the list of raw material required by our wide range of CRF machines with remarks which material not produced by NS BlueScope Malaysia Sdn Bhd based on the information gathered from the CLA Form 2 mentioned above.

(5) Not all our machine can use the rigid material specification produced by the Petitioner

The Petitioner produces and supplies raw material according to its own product specification and is not flexible to produce other specifications that are required by our Company's existing CRF machines requirement. In the event that different product specifications of raw material were used by our machines, for example when used of different tensile, thickness and width, it will cause the finished products to crack, wavy surface or fracture during the bending process (kindly refer to pictures in *Appendix ROII-7.6)*.

(6) Distinct Market Segments: Premium Use vs General Use

NS BlueScope Malaysia's products such as Zincalume® and related proprietary lines are positioned for the premium, branded and differentiated market segment. Our imported material, by contrast, serves the mid-tier and general-use market. We are a key link in the downstream supply chain for East Malaysia, supplying market-aligned pricing with no evidence of dumping, and no proven injury caused by our imports.

For example:
*- NS BlueScope Malaysia's Zincalume® 0.48mm TCT Dek Profile: RM*** to RM*** per sq.ft.*
*- Equivalent Dek Profile with standard Galufume 0.48mm TCT: RM*** to RM*** per sq.ft.*

The above price differences reflect product positioning, brand value, specification and service differences, not unfair trade or undercutting. The above two different

product lines operate in separate market segments and do not compete directly for the same customers.

(7) Why our Company unable to rely on the uncertainty or sole local mill supply and have to import our required raw material

(a) Presently, we have over *** various types/sizes of CRF machines **that require different sizes and specifications of steel material** to produce various types of steel products. **Most of our machines cannot simply use different sizes and specifications of steel material** which may result in products defect and crack. Based on our past correspondences with NS BlueScope Malaysia (kindly refer to *Appendix ROII-7.2*), **they only have 3 materials that matched our requirements and even though we try to adjust to match their 5 standards material, they are still unable to supply.**

(b) Our factories cannot afford to face any shortage of raw material that causes our factory to halt production (shut down), over *** Local workers without work and we are unable to supply to a large base of clients, the majority are hardware dealers located in Sabah and Sarawak. Based on our past correspondence with NS BlueScope Malaysia (kindly refer to *Appendix ROII-7.2*), **nearly one year no supply quote from the day we requested quotation and subsequently never came back to us despite our follow ups**.

(c) During the CLA Meeting on 6 February 2025 (refer to *Appendix ROII-7.2*), **only one local producer** namely NS BlueScope Malaysia is not supporting our application. **We cannot just rely on a sole local mill for the supply of various types of raw material required by our various types of machines** especially past dealing with this sole local producer clearly shown for a period of one year there is no supply quote (for many of the material we required) and subsequently never come to us which is **too long and unacceptable for any manufactures in this world**.

(d) NS BlueScope Malaysia's feedback that it can assist us (the Applicant) on the thickness range from 0.2mm to 1.2mm. **NS BlueScope Malaysia's feedback is very general and is a very broad range without specifying which of the individual material specifications that are needed by our various types of machines can be produced/supplied by NS BlueScope Malaysia**.

(e**) NS BlueScope Malaysia did not reply** to the **Supply Enquiry List** (kindly refer to *Appendix ROII-7.7*) that we submitted on 13 February 2025 through MISIF by email on 13/2/2025 (kindly refer to *Appendix ROII-7.8*) which is **very crucial for us to ensure the certainty of supply by the sole local mill**.

(f) We would like to reiterate that **we cannot afford to Risk** our over hundred million of Ringgit manufacturing facilities (both our factories and machineries are still under bank financing), the livelihood of our over *** local staff and affecting the supply to a large base of hardware dealers where the end-users are mostly low-income earner or the poor throughout Sabah and Sarawak.

(8) Impact of Anti-Dumping Measures on Our Business and Public Interest

(i) Risk of Monopoly & Higher Costs

The Petitioner is the only local mill in Malaysia for this product category. If anti-dumping duties are imposed, it will effectively monopolise the domestic market, eliminate fair competition, and force up raw material costs for downstream manufacturers like us – a genuine local SME.

(ii) Geographic & Supply Chain Disadvantage

The Petitioner operates in Peninsular Malaysia, while our business and customer base are located in Sabah, with no local alternative mill capacity. Restricting imports will severely disrupt supply chains and increase logistics and procurement costs for East Malaysia downstream manufacturers like us.

(iii) Product Differentiation – No Direct Competition

The Petitioner supplies premium-grade, branded products. The material we import is functionally equivalent but standard-specification, enabling us to produce finished goods of comparable quality at affordable price. Competitive raw material pricing is essential to keep our downstream products accessible and affordable to the market particularly for Sabah where there are still a lot of low-income groups.

(iv) Impact on Low- & Middle-Income Communities

Our finished products are distributed widely through hardware outlets, serving low- and middle-income households across Sabah and Sarawak. Many communities in these states remain price-sensitive and rely on affordable building materials. Higher raw material costs will inevitably be passed on to these vulnerable groups.

(v) Thin Margins & Pass-Through of Savings

We already operate on very narrow profit margins, and have previously received exemptions on the same basis. Access to cost-effective imports allows us to pass those savings directly to end-users, rather than retaining excess profit.

(vi) Critical Raw Material Not Supplied by the Petitioner

Our requires raw material, [specification of material] under HS Code 7210.61.1100 is not manufactured by NS BlueScope Malaysia Sdn Bhd. This material is essential for producing corrugated zinc sheet or “Zinc Kampong”, a basic building material for the low-income earners or poor households in Sabah. Imposing duties on this input will directly increase the cost of basic housing and infrastructure for the most vulnerable communities, harming public interest disproportionately.