

# ALCOM GROUP BERHAD

Incorporated in Malaysia  
Registration No. 201701047083 (1261259-V)

**SUMMARY OF KEY MATTERS DISCUSSED AT THE FOURTH ANNUAL GENERAL MEETING (“AGM” OR “MEETING”) OF ALCOM GROUP BERHAD (“AGB” OR “THE COMPANY”) CONDUCTED FULLY VIRTUAL AND LIVE-STREAMED FROM THE BROADCAST VENUE AT THE BOARD ROOM, R-05-17 (LEVEL 5), WISMA SCLAND, EMPORIS KOTA DAMANSARA, PERSIARAN SURIAN, 47810 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA ON THURSDAY, 23 JUNE 2022 AT 10.00 A.M.**

Pursuant to Paragraph 9.21(2)(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“BMSB”), a listed issuer must publish a summary of the key matters discussed at the AGM, as soon as practicable after the conclusion of the AGM.

All ordinary resolutions that were tabled at the Fourth AGM of the Company were voted by way of poll in accordance with Paragraph 8.29A(1) of the MMLR of BMSB, via Remote Participation and Voting facilities at <https://web.vote2u.my> and were duly approved by the shareholders and proxies. The shareholders also received the Audited Financial Statements of AGB group of companies (“the Group”) and of AGB for the financial year ended 31 December 2021, along with Reports of the Directors and Auditors thereon.

The results of the votes by poll were broadcasted on the screen at the Fourth AGM of the Company as follows:

	Vote For		Vote Against		Total Votes	
	No. of Units	%	No. of Units	%	No. of Units	%
<b>ORDINARY BUSINESS</b>						
<b>Ordinary Resolution 1</b> To declare a first and final single-tier dividend of 2.5 sen per share in respect of the financial year ended 31 December 2021.	71,390,670	99.9999	110	0.0001	71,390,780	100.0000
<b>Ordinary Resolution 2</b> To re-elect Director, Dato’ Seri Subahan Bin Kamal who retires pursuant to Clause 82 of the Company’s Constitution.	71,371,568	99.9731	19,212	0.0269	71,390,780	100.0000
<b>Ordinary Resolution 3</b> To re-elect Director, Heon Chee Shyong who retires pursuant to Clause 82 of the Company’s Constitution.	71,375,768	99.9790	15,012	0.0210	71,390,780	100.0000
<b>Ordinary Resolution 4</b> To re-elect Director, Yeoh Jin Hoe who retires pursuant to Clause 82 of the Company’s Constitution.	71,375,718	99.9789	15,062	0.0211	71,390,780	100.0000
<b>Ordinary Resolution 5</b> To re-elect Director, Datin Shelina Binti Razaly Wahi who retires pursuant to Clause 86 of the Company’s Constitution.	71,375,568	99.9788	15,112	0.0212	71,390,680	100.0000
<b>Ordinary Resolution 6</b> To re-elect Director, Gong Wooi Teik who retires pursuant to Clause 86 of the Company’s Constitution.	71,375,768	99.9790	15,012	0.0210	71,390,780	100.0000
<b>Ordinary Resolution 7</b> To re-elect Director, Goh Teck Hong who retires pursuant to Clause 86 of the Company’s Constitution.	71,375,668	99.9788	15,112	0.0212	71,390,780	100.0000

	Vote For		Vote Against		Total Votes	
	No. of Units	%	No. of Units	%	No. of Units	%
<b>ORDINARY BUSINESS</b>						
<b>Ordinary Resolution 8</b> To approve and ratify the additional payment of Directors' Fees amounting to RM10,000 which was in excess of the earlier approved amount of RM300,000 for the financial year ended 31 December 2021.	71,355,704	99.9509	35,074	0.0491	71,390,778	100.0000
<b>Ordinary Resolution 9</b> To approve the payment of benefits of up to RM50,000 to the Non-Executive Directors of the Company and its subsidiaries for the financial year ending 31 December 2022.	71,359,504	99.9562	31,276	0.0438	71,390,780	100.0000
<b>Ordinary Resolution 10</b> To re-appoint KPMG PLT as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix the Auditors' remuneration.	71,389,688	99.9985	1,092	0.0015	71,390,780	100.0000
<b>SPECIAL BUSINESS</b>						
<b>Ordinary Resolution 11</b> Proposed authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016	71,380,260	99.9854	10,420	0.0146	71,390,680	100.0000
<b>Ordinary Resolution 12</b> Proposed renewal of authority for the Company to purchase its own shares	71,385,648	99.9928	5,132	0.0072	71,390,780	100.0000
<b>Ordinary Resolution 13</b> Proposed renewal of mandate for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature	28,853,742	99.9815	5,340	0.0185	28,859,082	100.0000

The following questions received via the Query Box at <https://web.vote2u.my> during the Fourth AGM of the Company were duly answered by the Chairman, Dato' Seri Subahan Bin Kamal, President cum Chief Executive Officer, Heon Chee Shyong, Executive Director, Goh Teck Hong and Executive Director of subsidiary company, AGB Builders Sdn Bhd, Ang Loo Leong:

**Q1 Dear Board of Directors, kindly give us some e-vouchers, food vouchers or e-wallet (no discount vouchers please) for being loyal shareholders and attending this meeting. Times are bad now. Please be considerate to us shareholders during these trying times.**

**A1** We take note of this request. When we have the AGM conducted physically, we will definitely adhere to the request of shareholders for door gift.

**Q2 (i) What is the take-up rate in EMHub's phase 1 and 2 year-to-date?**

**(ii) With aluminium price declining recently due to time lag, would Aluminium Company of Malaysia Berhad ("ALCOM") incur inventory losses?**

**(iii) For export orders, is ALCOM's selling price with customers log in back-to-back with aluminium price quoted in the London Metal Exchange ("LME")?**

**(iv) For export orders, is ALCOM quoting on a Free on Board (“FOB”) basis to avoid high freight rate risk?**

- A2 (i) To-date, EMHub has achieved an encouraging pick-up rate of 85% for phase 1 and 65% for phase 2 which is a total of 76% for the entire EMHub project.
- (ii) It is a matter of fact that when aluminium price goes up, we have a positive lag and when aluminium price goes down, we will definitely have a negative lag. ALCOM is managing the backlog of orders.
- (iii) Yes, all of ALCOM’s export orders are on LME and they are all on back-to-back basis. Although it is all pass-through, there is still a gap between the holding of inventory versus when we are delivering which will affect us either positively or negatively.
- (iv) Currently, all ALCOM’s export orders are quoted on FOB basis or on separate arrangement with customers where they would be charged according to the prevailing freight rate. In the past, it was on Cost, Insurance and Freight basis.

**Q3 What is the Company’s future outlook?**

- A3 As much as I want to tell you that it will be a positive outlook, the fact remains that there are many unknowns right now. My personal view is that the demand will remain strong for what ALCOM is selling. ALCOM has got new markets and new customers arising from the United States of America, Europe and India. In terms of world demand, I think it is obvious that the world will be going through a recession and inflation that will somewhat suppress the actual demand overall.

**Q4 How much did the Company spent on this virtual AGM?**

- A4 About RM13,000 for this AGM.

**Q5 (i) The earning per share (“EPS”) for financial year ended 31 December 2021 (“FY 2021”) was 24 sen but a dividend of just 2.5 sen was declared, which is rather low. Does the Company have a dividend payout policy? If it does not, would the Company be thinking of having one?**

**(ii) Is our impressive first quarter results in 2022 sustainable for the rest of the year?**

**(iii) For a Company with such impressive EPS, the share price of 81.5 sen seemed undervalued. Is the Company satisfied with such low valuation and what can it do to improve its valuation?**

- A5 In regard to questions (i) and (iii), we have indeed achieved an impressive EPS and you can imagine the tremendous work we have done to achieve it. In this trying time, it is important to conserve cash to protect the Group’s activities, operations and shareholders’ investment. In year 2021, we have controlled cost, controlled spending and used the cash in an appropriate way to generate better results. The fundamental of all these activities that we have undertaken was mainly to protect the financial health of the Group and to protect the well-being of everyone, particularly the shareholders.

In respect of question (ii), it was a very impressive first quarter in 2022, we hope that the good performance continues and that the Company is very positive in 2022.

**Q6 Please help us understand the aluminium market supply – demand balance condition, and the key factors affecting the dynamic in the coming 18-month period.**

A6 I can't talk about the future 18 months because there are just too many things that will change and continue to change. As for the current world demand and supply, it is actually a bit more intricate. For the immediate future, we all can see that the demand is low despite the fact that economies are opening up. Demands will continue to be slow and the supply will be equally slow because supply from China has been hampered with the lockdown and so on. I think what is going to play out in the coming months is a fact that the supply side will slowly resume from China and an indicator will be the lower pricing. While the demand side remains hampered somehow and somewhat in the overall aluminium market, I just want to reinforce the fact that our products that we are selling in the markets that we are operating in are well intact, and the air conditioning market continues to grow especially in India where their growth rate is phenomenal and beyond comprehension despite the fact that the economy is not growing as much.

The Chairman concluded the Meeting and declared the Meeting closed at 11.07 a.m.