

**MALAYSIA SMELTING CORPORATION BERHAD ("MSC")**

(Company No. 43072-A)

(Incorporated in Malaysia)

MINUTES OF FORTIETH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT GATEWAY A, LEVEL 1, SAMA-SAMA HOTEL, KL INTERNATIONAL AIRPORT, JALAN CTA 4B, 64000 KLIA, SEPANG, SELANGOR, MALAYSIA ON FRIDAY, 24 MAY 2019 AT 11.00 A.M.

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**PRESENT:**

**DIRECTORS**

- |   |  |
|---|--|
| Ms. Chew Gek Khim<br>("Madam Chairman") | - A shareholder and proxy holder for shareholders as per Attendance List |
| Dato' Robert Teo Keng Tuan              | - A shareholder  |
| Mr. John Mathew a/l Mathai              |  |
| Datuk Kamaruddin bin Taib               |  |
| Dato' Dr. Ir. Patrick Yong Mian Thong   | - Group Chief Executive Officer ("GCEO")                                 |

**ABSENT WITH APOLOGIES**

Mr. Chia Chee Ming, Timothy

**IN ATTENDANCE**

- |                 |                     |
|-----------------|---------------------|
| Ms. Soo Han Yee | - Company Secretary |
|-----------------|---------------------|

**BY INVITATION**

- |                              |   |
|------------------------------|---|
| Mr. Nicolas Chen Seong Lee   | - Deputy Chief Executive Officer - Administration |
| Mr. Lam Hoi Khong            | - Group Chief Financial Officer                   |
| Mr. Raveentiran a/l Krishnan | - Chief Operating Officer, Smelting               |
| En. Madzlan bin Zam          | - Director, Tin Mining                            |
| Mr. Teoh Soo Hock            | - Representing Messrs Ernst & Young               |
| Ms. Lau Whoay Ling           | - Representing Messrs Ernst & Young               |
| Ms. Krystin Keh              | - Representing Messrs Ernst & Young               |

**Shareholders**

As per the Attendance List.

**Proxies**

As per the Attendance List.

The list of shareholders, proxies and invitees who attended the Fortieth Annual General Meeting ("AGM") are set out in the Attendance List and shall form an integral part of these Minutes.

**1. CHAIRMAN**

Ms. Chew Gek Khim being the Chairman of the Board of Directors presided as Chairman of the Meeting and welcomed all shareholders, proxies and invitees to the AGM of the Company.

Madam Chairman then introduced each and every member of the Board of Directors who are present at the Meeting.

**2. QUORUM**

With the requisite quorum being present in accordance with Article 61 of the Company's Constitution, the AGM was called to order at 11.00 a.m.

Madam Chairman introduced the Board of Directors and the Group Chief Executive Officer/Executive Director to the shareholders. She also conveyed the apologies from Mr. Chia Chee Ming, Timothy, the Senior Independent Non-Executive Directors of the Company, who was unable to attend the Meeting.

**3. NOTICE**

The Notice convening the Meeting, having been circulated in the prescribed period, was with the consent of the members present, taken as read. Madam Chairman then proceeded with the business of the AGM.

As part of good governance, Madam Chairman informed the members that the Company had received in total nineteen (19) proxy forms from shareholders for a total of 220,740,700 ordinary shares representing 55.19% of the share capital of the Company.

Out of those, there were four (4) shareholders who have appointed the Chairman of the Meeting as proxy to vote on their behalf and the shares so represented are 218,243,200 representing 54.56% of the share capital of the Company.

**4. POLLING**

The Chairman informed the Meeting that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the AGM must be voted by way of poll.

The Chairman further informed that the polling process would be conducted after the deliberation of all items on the Agenda. To facilitate the poll process, the Company has appointed Boardroom Share Registrars Sdn Bhd, the Company's Share Registrar as Poll Administrator to conduct the electronic process and Boardroom Corporate Services Sdn Bhd as the Scrutineer to verify the poll results.

**5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 AND THE DIRECTORS' AND AUDITORS' REPORTS THEREON**

The Audited Financial Statements (“AFS”) of the Company for the financial year ended 31 December 2018 (“FY2018”) together with the Directors' and Auditors' Reports thereon were tabled for discussion.

Madam Chairman declared that the AFS for the FY2018 were for discussion only under Agenda 1 as it did not require shareholders' approval and thus, it would not be put for voting.

She then proceeded to invite questions from the floor in respect of the AFS for FY2018.

5.1 In response to the following questions from a shareholder, Mr. Chan Fee Whye, Madam Chairman and GCEO have replied as follows:

(1) Role of tin in batteries

In comparison of batteries using lead and those using tin as component, the type of batteries using tin as a component is much better with less side effects.

Furthermore, the usage of tin for batteries in electric cars is widely preferred as it will last longer.

(2) Benefits for dual listing

The reason for listing in Singapore at that time was to raise funds in SGD for the Company. Furthermore, the cost of listing in Singapore is insignificant.

(3) Quantity of tin reserve in Sungei Lembing

Based on available data, Sungei Lembing has the richest tin deposits in Malaysia and the Group is expected to mine up to 10,000 tonnes from the mines in Sungei Lembing based on the geologist report.

5.2 Mr. Neoh Soon Leong, a shareholder of the Company, asked on the sustainability of its tin mining activities. To this, the GCEO elaborated that the Company's principal activities are tin smelting and tin mining. In order to be sustainable, the Group is looking at several new mining areas. He further added that the usage of top lance smelting technology will be more environment friendly besides increasing production capacity of the Company.

5.3 Mr. Lim Leong Chye, a shareholder of the Company has posed the following questions which were answered by Madam Chairman and GCEO:

(1) Venue of AGM

To a suggestion from Mr. Lim Leong Chye to hold the AGM of the Company at a venue nearer to the Pulau Indah plant, Madam Chairman replied that the request was noted and the Board would take into consideration the above suggestion, in deciding the venue for the next AGM.

(2) New Smelter at Pulau Indah

Mr. Lim Leong Chye also sought further information on the top lance smelter in Pulau Indah as it was reported that such smelter is unable to smelt tin. To this, the GCEO informed that the top lance smelter known as ISA Smelter can be used to smelt tin and by using this technology, the Company will be able to enjoy cost savings of up to 20% in labour, 25% in fuel and 30% in carbon footprint. Furthermore, tin is the easiest metals to smelt as compared with other metals.

(3) Tin reserves and resources at Perak

En. Madzlan bin Zam informed that the tin resources at western slope of the mine is expected to last up to 20 years.

5.4 The GCEO has replied to the following enquiries from Mr. Chua Song Vun, a shareholder of the Company:

(1) Market share in the world

The top three smelters in the world (excludes China) produce up to more than 50% of the total tin in the world.

(2) Toll rate/tin price

The tolling rate is dependable on the contamination of the tin or the grade of the tin ore and different tin grade has different tolling rate.

(3) Break-even point for Tin mining

Rahman Hydraulic Tin Sdn Bhd is able to do hard rock mining and it is expected to break-even at the production of up to 20,000 tonnes subject to the tin price.

5.5 Mr. Anthony Chew asked the following questions which were answered by the GCEO:

(1) Tin Statistics

The decrease in the production of tin in Asean was mainly due to certain controls policy in tin export introduced in Asean, which imposed restrictions in export of tin.

(2) World tin reserve

There is no recorded statistic on world tin reserve which is subject to tin findings.

(3) Tin deliveries in new plant

The Company expects an increase in production at the new plant. The business strategy of the Company will determine the level of production.

After having addressed all the questions raised, it was recorded that the Audited Financial Statements of the Company had been duly received and adopted by the shareholders.

**6. FIRST AND FINAL SINGLE-TIER DIVIDEND OF 2 SEN PER SHARE IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Madam Chairman sought for a proposer and seconder in respect of the motion pertaining to First and Final Single-Tier Dividend of 2 sen per share in respect of the financial year ended 31 December 2018 as there is no question from the floor.

The resolution 1 was proposed by Mr. Lim Leong Chye and seconded by Mr. Chong Jit Seng.

Madam Chairman informed the Meeting that voting on the above resolution would be conducted on a poll upon completion of the remaining businesses of the Meeting.

**7. DIRECTORS' FEES AND BENEFITS OF UP TO RM470,000.00 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Madam Chairman sought for a proposer and seconder in respect of the motion pertaining to Directors' Fees and Benefits of up to RM470,000.00 for the financial year ended 31 December 2018 as there is no question from the floor.

The resolution 2 was proposed by Mr. Chong Jit Seng and seconded by Mr. Lim Leong Chye.

Madam Chairman informed the Meeting that voting on the above resolution would be conducted on a poll upon completion of the remaining businesses of the Meeting.

**8. DIRECTORS' BENEFITS OF UP TO RM198,000.00 FROM 1 JANUARY 2019 UNTIL THE NEXT AGM OF THE COMPANY**

Madam Chairman sought for a proposer and seconder in respect of the motion pertaining to Directors' Benefits of up to RM198,000.00 from 1 January 2019 until the next AGM of the Company as there is no question from the floor.

The resolution 3 was proposed by Mr. Lim Leong Chye and seconded by Mr. Chong Jit Seng.

Madam Chairman informed the Meeting that voting on the above resolution would be conducted on a poll upon completion of the remaining businesses of the Meeting.

**9. RE-ELECTION OF DIRECTORS**

Madam Chairman informed that the next three items of the agenda were concerning the re-election of three directors who retired in accordance with the Company's Constitution and were eligible for re-election.

The retiring Directors who offered themselves for re-election under Resolutions 4, 5 and 6 respectively were as follows:

Name of Director	Retirement pursuant to Article	Resolution
Mr. Chia Chee Ming, Timothy	Article 101	4
Dato' Dr. Ir. Yong Mian Thong	Article 106	5
Datuk Kamaruddin bin Taib	Article 106	6

9.1 Re-election of Director – Mr. Chia Chee Ming, Timothy

Madam Chairman sought for a proposer and seconder in respect of the motion pertaining to re-election of Mr. Chia Chee Ming, Timothy as a Director of the Company as there is no question from the floor.

The resolution 4 was proposed by Madam Chairman and seconded by Mr. Lim Leong Chye.

Madam Chairman informed the Meeting that voting on the above resolution would be conducted on a poll upon completion of the remaining businesses of the Meeting.

9.2 Re-election of Director – Dato' Dr. Ir. Yong Mian Thong

Madam Chairman sought for a proposer and seconder in respect of the motion pertaining to re-election of Dato' Dr. Ir. Yong Mian Thong as a Director of the Company as there is no question from the floor.

The resolution 5 was proposed by Madam Chairman and seconded by Mr. Leong Kok Tai.

Madam Chairman informed the Meeting that voting on the above resolution would be conducted on a poll upon completion of the remaining businesses of the Meeting.

9.3 Re-election of Director – Datuk Kamaruddin bin Taib

Madam Chairman sought for a proposer and seconder in respect of the motion pertaining to re-election of Datuk Kamaruddin bin Taib as a Director of the Company as there is no question from the floor.

The resolution 6 was proposed by Madam Chairman and seconded by Mr. Lim Leong Chye.

Madam Chairman informed the Meeting that voting on the above resolution would be conducted on a poll upon completion of the remaining businesses of the Meeting.

**10. RE-APPOINTMENT OF ERNST & YOUNG AS AUDITORS OF THE COMPANY**

Madam Chairman sought for a proposer and seconder in respect of the motion pertaining to the re-appointment of Ernst & Young as auditors of the Company as there is no question from the floor.

The resolution 7 was proposed by Mr. Lim Leong Chye and seconded by Mr. Chong Jit Seng.

Madam Chairman informed the Meeting that voting on the above resolution would be conducted on a poll upon completion of the remaining businesses of the Meeting.

**11. AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

Madam Chairman sought for a proposer and seconder in respect of the motion pertaining to authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 as there is no question from the floor.

The resolution 8 was proposed by Mr. Leong Kok Thai and seconded by Mr. Chong Jit Seng.

Madam Chairman informed the Meeting that voting on the above resolution would be conducted on a poll upon completion of the remaining businesses of the Meeting.

**12. PROPOSED ALTERATION OR AMENDMENT OF THE CONSTITUTION OF THE COMPANY**

Madam Chairman sought for a proposer and seconder in respect of the motion pertaining to the proposed alteration or amendment of the Constitution of the Company as there is no question from the floor.

The resolution 9 was proposed by Mr. Lim Leong Chye and seconded by Mr. Anthony Chew.

Madam Chairman informed the Meeting that voting on the above resolution would be conducted on a poll upon completion of the remaining businesses of the Meeting.

**13. ANY OTHER BUSINESS**

Madam Chairman informed that as confirmed by the Company Secretary, the Company did not receive any notice for transaction of any other business at the Meeting.

#### **14. POLL PROCEDURES**

Madam Chairman then invited Puan Rozleen Monzali of Boardroom Share Registrars Sdn Bhd to brief the floor on the polling procedures before the commencement of polling.

After the briefings by Puan Rozleen Monzali, Madam Chairman informed that the outcome of the poll will be announced after the conclusion of polling which is expected to complete by 11.45 a.m., to allow the scrutineers to tabulate the results of the poll.

The shareholders then proceeded to cast their vote accordingly at the polling station.

#### **15. ANNOUNCEMENTS OF POLL RESULTS**

The Meeting resumed at 11.45 a.m. for declaration of poll results in respect of Resolutions 1 to 9.

After obtaining the report from the Scrutineers, Madam Chairman announced the results of the poll as follows:

##### **15.1 First and Final Single-Tier Dividend of 2 Sen per share in respect of the financial year ended 31 December 2018**

Madam Chairman announced the poll result in respect of Resolution 1 which was carried and duly passed as follow:

<b>Ordinary Resolution 1</b>	<b>Votes in favour</b>		<b>Votes against</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
To approve the payment of Final Single-Tier Dividend of 2 sen per share in respect of the financial year ended 31 December 2018	229,191,800	100	-	-

It was RESOLVED:

That the payment of Final Single-Tier Dividend of 2 sen per share in respect of the financial year ended 31 December 2018 be and is hereby approved.

##### **15.2 Directors' Fees and Benefits of up to RM470,000.00 for the financial year ended 31 December 2018**

Madam Chairman announced the poll result in respect of Resolution 2 which was carried and duly passed as follow:

<b>Ordinary Resolution 2</b>	<b>Votes in favour</b>		<b>Votes against</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
To approve the Directors' Fees and Benefits of up to RM470,000.00 for the financial year ended 31 December 2018	229,191,800	100		-

It was RESOLVED:

That the payment of the Directors' Fees and Benefits of up to RM470,000.00 for the financial year ended 31 December 2018 be and is hereby approved.

- 15.3 Directors' Benefits of up to RM198,000.00 from 1 January 2019 until the next AGM

Madam Chairman announced the poll result in respect of Resolution 3 which was carried and duly passed as follow:

Ordinary Resolution 3	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To approve the Directors' Benefits of up to RM198,000.00 from 1 January 2019 until the next AGM	229,191,800	100		-

It was RESOLVED:

That the payment of the Directors' Benefits of up to RM198,000.00 from 1 January 2019 until the next AGM be and is hereby approved.

- 15.4 Re-election of Director – Mr. Chia Chee Ming, Timothy

Madam Chairman announced the poll result in respect of Resolution 4 which was carried and duly passed as follow:

Ordinary Resolution 4	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
Re-election of Mr. Chia Chee Ming, Timothy as a Director	229,191,800	100	-	-

It was RESOLVED:

That Mr. Chia Chee Ming, Timothy who retired pursuant to Article 101 of the Constitution of the Company, be and is hereby re-elected as a Director of the Company.

- 15.5 Re-election of Director – Dato' Dr. Ir. Yong Mian Thong

Madam Chairman announced the poll result in respect of Resolution 5 which was carried and duly passed as follow:

Ordinary Resolution 5	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
Re-election of Dato' Dr. Ir. Yong Mian Thong as a Director	229,191,800	100	-	-

It was RESOLVED:

That Dato' Dr. Ir. Yong Mian Thong who retired pursuant to Article 106 of the Constitution of the Company, be and is hereby re-elected as a Director of the Company.

15.6 Re-election of Director – Datuk Kamaruddin bin Taib

Madam Chairman announced the poll result in respect of Resolution 6 which was carried and duly passed as follow:

Ordinary Resolution 6	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
Re-election of Datuk Kamaruddin bin Taib as a Director	229,191,800	100	-	-

It was RESOLVED:

That Datuk Kamaruddin bin Taib who retired pursuant to Article 106 of the Constitution of the Company, be and is hereby re-elected as a Director of the Company.

15.7 Re-appointment of Messrs Ernst & Young as Auditors of the Company

Madam Chairman announced the poll result in respect of Resolution 7 which was carried and duly passed as follow:

Ordinary Resolution 7	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
Re-appointment of Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration	229,191,800	100	-	-

It was RESOLVED:

That the retiring Auditors, Messrs Ernst & Young, having indicated their willingness to accept the re-appointment, be and are hereby re-appointed as Auditors of the Company for the ensuing year until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.

15.8 Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016

Madam Chairman announced the poll result in respect of Resolution 8 which was carried and duly passed as follow:

Ordinary Resolution 8	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016	229,191,800	100	-	-

It was RESOLVED:

That pursuant to Sections 75 and 76 of the Companies Act, 2016, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and from time to time until the next conclusion of the next Annual General Meeting of the Company upon such terms and conditions and for such purpose as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at the time of issue, subject to the Constitution of the Company and approval of all the relevant regulatory bodies being obtained for such allotment and issue.

15.9 Proposed alteration or amendment of the Constitution of the Company

Madam Chairman announced the poll result in respect of Resolution 9 which was carried and duly passed as follow:

<b>Ordinary Resolution 9</b>	<b>Votes in favour</b>		<b>Votes against</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
Proposed alteration or amendment of the Constitution of the Company	229,191,800	100	-	-

It was RESOLVED:

THAT approval be and is hereby given to alter or amend the whole of the existing Constitution of the Company by the replacement thereof with a new Constitution of the Company as set out in Appendix A with immediate effect AND THAT the Board of Directors of the Company be and is hereby authorized to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing.

**16. CONCLUSION**

There being no other business to be transacted, the Meeting ended at 12.00 noon with a vote of thanks to the chair.

SIGNED AS A CORRECT RECORD

- SIGNED -

CHAIRMAN

Dated this: