

MALAYSIA SMELTING CORPORATION BERHAD

Registration No. 197801006055 (43072-A)
(Incorporated in Malaysia)

MINUTES OF THE FORTY-THIRD ANNUAL GENERAL MEETING (“AGM”) OF MALAYSIA SMELTING CORPORATION BERHAD (“THE COMPANY”) CONDUCTED VIRTUALLY THROUGH A LIVE STREAMING FROM THE BROADCAST VENUE AT LEVEL 10, TOWER 1, AVENUE 5, BANGSAR SOUTH CITY, 59200 KUALA LUMPUR, MALAYSIA ON FRIDAY, 27 MAY 2022 AT 10.00 A.M.

PRESENT : **Board of Directors**
(present at the Broadcast Venue)
Mr. John Mathew Mathai – Mr. Chairman
Dato’ Roslina Binti Zainal
Mr. Yap Seng Chong
Datuk Lim Hong Tat
Dato’ Dr. (Ir.) Patrick Yong Mian Thong

(by Video Conference)
Madam Chew Gek Khim
Mr. Timothy Chia Chee Ming
Datuk Kamaruddin Bin Taib

Shareholders and Proxies
As per Attendance Lists

IN ATTENDANCE : **Company Secretary**
(present at the Broadcast Venue)
Ms. Wong Youn Kim

BY INVITATION : As per Attendance Lists

1.0 CHAIRMAN’S WELCOME ADDRESS

The Chairman, Mr. John Mathew Mathai took the Chair and welcomed all present at the virtual Forty-Third AGM (“the Meeting”) of the Company which was conducted virtually through a live streaming from the Broadcast Venue at Level 10, Tower 1, Avenue 5, Bangsar South City, Kuala Lumpur.

Mr. Chairman informed the shareholders that Madam Chew Gek Khim, the Chairman of the Board, had handed the chairing of the AGM to him as Madam Chew is unable to be physically present in Malaysia.

2.0 QUORUM

Mr. Chairman, having confirmed with the Company Secretary that the requisite quorum was present pursuant to Clause 80 of the Constitution of the Company, called the Meeting to order at 10.00 a.m.

3.0 NOTICE OF MEETING

Mr. Chairman informed the shareholders that the notice of the Meeting (“the Notice”) was published in the New Straits Times and Singapore Business Times on 28 April 2022. It was also announced on the Bursa Malaysia and Singapore Exchange websites on the day before.

The Notice, having been properly circulated to all shareholders of the Company, was with the permission of the meeting taken as read.

4.0 BRIEFING ON HOUSEKEEPING PROCEDURES

The Company Secretary, upon the request of Mr. Chairman, briefed the shareholders on the housekeeping procedures to be adhered to pertaining to the Meeting.

5.0 POLL PROCEDURE

Before proceeding with the Agenda of the Meeting, Mr. Chairman invited the Company Secretary to brief the shareholders on the polling procedures.

The Company Secretary highlighted that the businesses to be transacted in the Meeting involved the moving and passing of nine (9) proposed Ordinary Resolutions which require the approval by a simple majority of the shareholders or their proxies present.

The Company Secretary also informed the Meeting that all resolutions set out in the Notice would be voted by way of poll.

The Company Secretary further informed the shareholders that each motion would require a Proposer and Secunder to move and second the motion before putting forward for voting, except for Agenda 1 in relation to the receiving of the Audited Financial Statements as formal approval from shareholders is not required. With a view to facilitate the flow of the Meeting, Madam Chew Gek Khim and Dato’ Dr. (Ir.) Patrick Yong Mian Thong, the Directors and Shareholders of the Company offered themselves to be the proposer and secunder for all the motions.

The Meeting was also informed that HMC Corporate Services Sdn. Bhd. had been appointed as the Poll Administrator to facilitate the poll process by way of online voting and Niche & Milestones International Sdn. Bhd. has been appointed as the Independent Scrutineer to verify the poll results.

Mr. Chairman continued with the formal business of the Meeting.

ORDINARY BUSINESS :

6.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 TOGETHER WITH THE DIRECTORS’ AND AUDITORS’ REPORTS THEREON

Mr. Chairman informed the shareholders that this agenda was meant for discussion only and not a business which requires a resolution to be put to vote by shareholders as the provision of Section 340(1)(a) of the Companies Act 2016 requires that the

Audited Financial Statements and the Reports of the Directors and Auditors be laid before the Company at the AGM.

7.0 ORDINARY RESOLUTION 1

To approve the payment of a First and Final Single-Tier Dividend of RM0.07 per share in respect of the financial year ended 31 December 2021.

Mr. Chairman tabled the Ordinary Resolution 1, which is in relation to the payment of a first and final single-tier dividend of RM0.07 per share in respect of the financial year ended 31 December 2021.

8.0 ORDINARY RESOLUTION 2

To approve the payment of Directors' Fees and Benefits of up to RM660,000.00 from 28 May 2022 until the next AGM of the Company to be held in year 2023.

Mr. Chairman then proceeded to table the Ordinary Resolution 2, which is to seek shareholders' approval for payment of the Directors' fees and benefits of up to RM660,000.00 from 28 May 2022 until the next AGM of the Company to be held in year 2023.

The Meeting was informed that Directors who are shareholders of the Company shall abstain from voting on the resolutions pertaining to the approval of their fees.

9.0 ORDINARY RESOLUTION 3

To re-elect Dato' Dr. (Ir.) Yong Mian Tong as Director of the Company who is retiring pursuant to Clause 102 of the Constitution of the Company.

ORDINARY RESOLUTION 4

To re-elect Datuk Kamaruddin Bin Taib as Director of the Company who is retiring pursuant to Clause 102 of the Constitution of the Company.

Mr. Chairman then proceeded to table the Ordinary Resolutions 3 and 4 on the re-election of Dato' Dr. (Ir.) Yong Mian Tong and Datuk Kamaruddin Bin Taib, who were retiring by rotation pursuant to Clause 102 of the Company's Constitution, and being eligible, had agreed to offer themselves for re-election.

10.0 ORDINARY RESOLUTION 5

To re-elect Dato' Roslina Binti Zainalas Director of the Company who is retiring pursuant to Clause 109 of the Constitution of the Company.

ORDINARY RESOLUTION 6

To re-elect Mr. Yap Seng Chong as Director of the Company who is retiring pursuant to Clause 109 of the Constitution of the Company.

ORDINARY RESOLUTION 7

To re-elect Datuk Lim Hong Tat as Director of the Company who is retiring pursuant to Clause 109 of the Constitution of the Company.

Mr. Chairman then proceeded to table the Ordinary Resolutions 5, 6 and 7 on the re-election of Dato' Roslina Binti Zainal, Mr. Yap Seng Chong and Datuk Lim Hong Tat,

who were retiring by rotation pursuant to Clause 109 of the Company's Constitution, and being eligible, had agreed to offer themselves for re-election.

11.0 ORDINARY RESOLUTION 8

To re-appoint Messrs Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

Ordinary Resolution 8 was tabled to re-appoint the Auditors of the Company, Messrs Ernst & Young PLT and to authorised the Directors to fix their remuneration. He added that the retiring Auditors had indicated their willingness to continue in office.

SPECIAL BUSINESS:

12.0 ORDINARY RESOLUTION 9

Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.

Mr. Chairman informed the Meeting that Ordinary Resolution 9 is to authorise the Directors to allot and issue shares up to an amount not exceeding 10% of the total number of issued shares of the Company, at any time until the conclusion of the next AGM.

13.0 ANY OTHER BUSINESS

The Company Secretary confirmed that no notice was received to transact any other business at the Meeting.

14.0 POLLING SESSION

Upon the request of Mr. Chairman, the Company Secretary briefed the shareholders on the polling procedures.

Mr. Chairman informed that the polling be commenced immediately and invited all the shareholders to cast their votes. The QR Code for voting was displayed on the screen.

15.0 QUESTIONS AND ANSWERS SESSION

Since all the resolutions have been tabled, Mr. Chairman proceeded to the Questions and Answers session.

Mr. Chairman proceeded to address the questions submitted to the Company prior to the Meeting. The full list of questions and answers are as appended in **Appendix A**.

The Company Secretary then informed Mr. Chairman that there were additional questions raised by the shareholders during the Meeting. The full list of questions and answers are as appended in **Appendix B**.

As there were no further real time questions, Mr. Chairman declared that the Questions and Answers session was closed.

The meeting was adjourned at 10.28 a.m. for the counting of votes and a presentation of the corporate video.

16.0 RE-CONVENING OF MEETING AND ANNOUNCEMENT OF POLL RESULTS

The meeting was re-convened at 10.44 a.m. for the announcement of the results of the poll voting by Mr. Chairman.

Mr. Chairman informed the Meeting that he had received the poll results which have been verified by the Independent Scrutineers, Niche & Milestones International Sdn. Bhd..

The poll results were presented to the shareholders as follows:

| Resolution | Votes in Favour | | Votes Against | |
|--|-----------------|----------|---------------|--------|
| | No. of Shares | % | No. of Shares | % |
| Ordinary Resolution 1 To approve the payment of a First and Final Single-Tier Dividend of RM0.07 per share in respect of the financial year ended 31 December 2021. | 235,249,187 | 100.0000 | - | 0.0000 |
| Ordinary Resolution 2 To approve the payment of Directors' Fees and Benefits of up to RM660,000.00 from 28 May 2022 until the next AGM of the Company to be held in year 2023. | 233,633,687 | 99.9955 | 10,500 | 0.0045 |
| Ordinary Resolution 3 To re-elect Dato' Dr. (Ir.) Yong Mian Thong as Director of the Company who is retiring pursuant to Clause 102 of the Constitution of the Company. | 235,249,087 | 100.0000 | 100 | 0.0000 |
| Ordinary Resolution 4 To re-elect Datuk Kamaruddin Bin Taib as Director of the Company who is retiring pursuant to Clause 102 of the Constitution of the Company. | 235,249,087 | 100.0000 | 100 | 0.0000 |
| Ordinary Resolution 5 To re-elect Dato' Roslina Binti Zainal as Director of the Company who is retiring pursuant to Clause 109 of the Constitution of the Company. | 235,249,087 | 100.0000 | 100 | 0.0000 |

| Resolution | Votes in Favour | | Votes Against | |
|--|-----------------|----------|---------------|--------|
| | No. of Shares | % | No. of Shares | % |
| Ordinary Resolution 6 To re-elect Mr. Yap Seng Chong as Director of the Company who is retiring pursuant to Clause 109 of the Constitution of the Company. | 235,249,087 | 100.0000 | 100 | 0.0000 |
| Ordinary Resolution 7 To re-elect Datuk Lim Hong Tat as Director of the Company who is retiring pursuant to Clause 109 of the Constitution of the Company. | 235,239,087 | 99.9957 | 10,100 | 0.0043 |
| Ordinary Resolution 8 To re-appoint Messrs Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | 235,249,087 | 100.0000 | 100 | 0.0000 |
| Ordinary Resolution 9 Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016. | 234,906,687 | 99.8616 | 325,500 | 0.1384 |

Based on the poll results, Mr. Chairman declared that all the nine (9) Ordinary Resolutions as set out in the Notice were duly carried.

ORDINARY RESOLUTION 1**PAYMENT OF A FIRST AND FINAL SINGLE-TIER DIVIDEND OF RM0.07 PER SHARE IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

RESOLVED THAT the payment of a First and Final Single-Tier Dividend of RM0.07 per share in respect of the financial year ended 31 December 2021 be and is hereby approved.

ORDINARY RESOLUTION 2**PAYMENT OF DIRECTORS' FEES AND BENEFITS OF UP TO RM660,000.00 FROM 28 MAY 2022 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN YEAR 2023**

RESOLVED THAT the Directors' Fees and Benefits payable up to an amount of RM660,000.00 from 28 May 2022 until the next AGM of the Company be and is hereby approved.

ORDINARY RESOLUTION 3

RE-ELECTION OF DATO' DR. (IR.) YONG MIAN TONG AS DIRECTOR OF THE COMPANY WHO IS RETIRING PURSUANT TO CLAUSE 102 OF THE CONSTITUTION OF THE COMPANY

RESOLVED THAT Dato' Dr. (Ir.) Yong Mian Thong who is retiring as a Director of the Company in accordance with Clause 102 of the Company's Constitution be and is hereby re-elected as Director of the Company.

ORDINARY RESOLUTION 4

RE-ELECTION OF DATUK KAMARUDDIN BIN TAIB AS DIRECTOR OF THE COMPANY WHO IS RETIRING PURSUANT TO CLAUSE 102 OF THE CONSTITUTION OF THE COMPANY

RESOLVED THAT Datuk Kamaruddin Bin Taib who is retiring as a Director of the Company in accordance with Clause 102 of the Company's Constitution be and is hereby re-elected as Director of the Company.

ORDINARY RESOLUTION 5

RE-ELECTION OF DATO' ROSLINA BINTI ZAINAL AS DIRECTOR OF THE COMPANY WHO IS RETIRING PURSUANT TO CLAUSE 109 OF THE CONSTITUTION OF THE COMPANY

RESOLVED THAT Dato' Roslina Binti Zainal who is retiring as a Director of the Company in accordance with Clause 109 of the Company's Constitution be and is hereby re-elected as Director of the Company.

ORDINARY RESOLUTION 6

RE-ELECTION OF MR. YAP SENG CHONG AS DIRECTOR OF THE COMPANY WHO IS RETIRING PURSUANT TO CLAUSE 109 OF THE CONSTITUTION OF THE COMPANY

RESOLVED THAT Mr. Yap Seng Chong who is retiring as a Director of the Company in accordance with Clause 109 of the Company's Constitution be and is hereby re-elected as Director of the Company.

ORDINARY RESOLUTION 7

RE-ELECTION OF DATUK LIM HONG TAT AS DIRECTOR OF THE COMPANY WHO IS RETIRING PURSUANT TO CLAUSE 109 OF THE CONSTITUTION OF THE COMPANY

RESOLVED THAT Datuk Lim Hong Tat who is retiring as a Director of the Company in accordance with Clause 109 of the Company's Constitution be and is hereby re-elected as Director of the Company.

ORDINARY RESOLUTION 8

RE-APPOINTMENT OF MESSRS ERNST & YOUNG PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

RESOLVED THAT Messrs Ernst & Young PLT, the retiring Auditors having given their consent for re-appointment, be and were hereby re-appointed as Auditors of the Company at a fee to be agreed upon by the Directors.

ORDINARY RESOLUTION 9

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

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 conclusion of the next AGM of the Company upon such terms and conditions and for such purposes 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.

17.0 TERMINATION

There being no other business to be transacted, the Meeting terminated at 10.45 a.m. with a vote of thanks extended to the Chair.

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FORTY-THIRD (43rd) ANNUAL GENERAL MEETING (“AGM”)

**ANSWERS TO QUESTIONS
SUBMITTED PRIOR TO THE 43rd AGM**

(A) Shareholder Name: Lau Chee Leong

- 1) China tin price is around USD41,000, which is 20% higher than LME. Have the Group considered selling tin to China?**

The China market tin price refers to higher grade tin (3N tin) with 99.9% purity whereas the tin traded at LME is at 99.85% purity or 2N tin/Straits Tin, hence the lower price. The Group does sell refined tin to China, and depending on the purity and grade of tin, will command similar prices across the markets.

- 2) Now the Pulau Indah new factory is running at 75% capacity. May I know what is the profit margin from running the plant at 75% capacity? If it is running at 100% capacity, what will be the profit margin?**

The smelting segment comprised both the Pulau Indah factory and the Butterworth factory, with shared overheads and costs. We are unable to provide the individual breakdown from each factory.

- 3) For Q1 2022, how much revenue/profit contribution from Butterworth plant and how much revenue contribution from Pulau Indah plant?**

Similar to Question 2 above, we are unable to provide the segregated revenue/profit contribution from each plant.

- 4) For this year 2022, when is the target timeline for the Pulau Indah plant to run at 100% capacity?**

We expect the Pulau Indah Plant to run at 100% capacity in 2H FY2022.

- 5) From the 1Q FY2022, the Group’s inventories value kept increasing. May I know the reason for this? Does the Group sell all the tin produced/mined in each quarter? Or does the Group keep some in inventory?**

The increase in inventories is a factor of higher average tin price, and also due to certain tin inventories remain unprocessed, in work-in-progress form (tin intermediates), unsold or undelivered finished goods (tin ingots) as at the reporting period.

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Answers to Questions Submitted Prior to the 42nd AGM

6) Does the Group declare dividends twice a year? How many percent from earnings will be declared as dividend?

No, the Group currently only declares dividend once a year. Based on its past track records, the Group has declared on averagely 25% of its Profit after Tax and Minority Interests (PATAMI). This is also after taking into consideration the Group's cashflow availability after working capital requirements, CAPEX and repayments of borrowings (if any).

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FORTY-THIRD (43rd) ANNUAL GENERAL MEETING (“AGM”)

**ANSWERS TO QUESTIONS
RAISED DURING THE 43rd AGM**

1) How much does the Company spend on this virtual AGM?

Would the Board kindly consider giving the shareholder with e-voucher as a token of appreciation for attending today’s meeting.

May I know when the company going to reward shareholder with Bonus issues?
(By Shareholder, Lee Suan Bee)

Mr Chairman, I’m a long time and loyal shareholder of the company. I would like to request that the company give shareholders with e-wallet as a token of appreciation for attending today’s meeting.
(By Shareholder, Teh Peng Tin)

Will the Board consider giving door gifts such e-voucher or e-wallets for those participating in this AGM as a token of appreciation?
(By Shareholder, Lau Chuan Hooi)

Can the Company please give us some e-vouchers/e-wallet for attending this RPV.
(By Shareholder, Yong Yang Har)

The costs of holding this virtual AGM, the voting platform and including scrutineer's fee is approximately RM18,000.

We thank our shareholders who have taken time-off to attend this virtual AGM. However, the Company has stated clearly that it will not be extending any e-voucher or door gifts for the virtual AGM.

Currently there is no plan to issue Bonus Issues. However, if the Company were to do such issuance in the future, the Company will make the necessary Announcements to the shareholders.

2) Who is your major customer, is it from a car manufacturer or electronic manufacturer?

(By Shareholder, Chin Meow Fatt)

We do not have a single major customer. Most of our customers are the end users of tin / electronic manufacturers namely Perstima, Nippon Steel, and major tin traders/brokers namely Toyota Tsusho, Triland, etc.

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Answers to Questions Raised During the 42nd AGM

3) What is the outlook for the Company?

(By Shareholder, Ho Xi Wen)

What is the Company's future outlook?

(By Shareholder, Lau Chuan Hooi)

Do the Company have any expansion plan?

(By Shareholder, Chin Meow Fatt)

The Group will continue to focus on operational efficiencies such as the stabilizing the operation of the Pulau Indah Plant to its optimum level which is currently running at 75%, and in respect of tin mining segment, the Group is working towards increasing mine production. The Group is also looking at potential acquisition/Joint Venture to increase its mining lease land.

4) MSC have done very well in the past few quarters, do you think this performance is sustainable?

(By Shareholder, Ho Xi Wen)

In the near to medium term, we expect tin price to remain high, and that should augur well for the Group.

5) Do you expect global tin price to go higher in the near future? What are the factors?

(By Shareholder, Ho Xi Wen)

We expect tin price in the near to medium term to remain at its current level and the outlook for tin will remain positive on the longer term due to increased demand in tin from the electronics, and semiconductor industries, EVs, lithium batteries, etc.

6) What is the prospect for mining segment? What is the utilization rate currently?

(By Shareholder, Ho Xi Wen)

We expect the mining segment to do well with the current tin price level. The average daily mining production currently stands at approximately 11 tonnes per day (TPD).

7) Is the global shipping cost increase affect your business?

(By Shareholder, Ho Xi Wen)

The global shipping cost does affect our business albeit minimally as the cost of shipping raw materials from the suppliers international locations to MSC Plants is borne by the suppliers.

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Answers to Questions Raised During the 42nd AGM

8) Do you have any expansion plan for your business?

(By Shareholder, Ho Xi Wen)

We have already stated earlier the Group's future prospects and expansion plan in an earlier question.

9) How the mini hydro plant can help the Company?

(By Shareholder, Ho Xi Wen)

The mini hydro plant will be a catalyst for the Group in its Environmental, Social and Governance (ESG) initiatives towards lower carbon footprint, in addition to the Group's mining operation saving on electricity usage.

10) What is your daily mining output at this moment?

(By Shareholder, Ho Xi Wen)

The Group's daily mining output is at 11 tonnes per day (TPD).

11) Do you have any potential joint venture candidate now?

(By Shareholder, Ho Xi Wen)

The Group is not in a liberty to share such information, and any dissemination of such information will be through the proper channel via Bursa Announcements (if any).

12) How do you see Ukraine war affect the global commodity market especially global tin market?

(By Shareholder, Ho Xi Wen)

The Ukraine Crisis will have some form of bearing towards the supply and demand chain of tin. It will also impact the distribution channel (shipping and freight) of the tin market.

13) Does the min wages hike affect company margin?

(By Shareholder, Ho Xi Wen)

The minimum wages hike does affect the overheads of the Group, albeit minimally.

14) The Company have secured 40mil term loan compared to the preceding quarter, what is the Company plan for this loan?

(By Shareholder, Ho Xi Wen)

The purpose of the loan is for the Group's working capital and CAPEX.

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Answers to Questions Raised During the 42nd AGM

- 15) Will the tin price falling affect the Company profit a lot, as MSC is import tin from another country, how will MSC controlling the risk?**
(By Shareholder, Chin Meow Fatt)

MSC will hedge through Forward Tin Contracts.

- 16) What is the role of MSC in coming master plan of Straits City development in Penang?**
(By Shareholder, Lim Jiun Feng)

MSC has previously entered into a Memorandum of Undertaking on Joint Development arrangement with STC Group.