



Aluminium Company of Malaysia Berhad

(Company No. 3859-U)

No. 3, Persiaran Waja, Bukit Raja Industrial Estate, 41050 Klang, Selangor Darul Ehsan, Malaysia.

Mail Address : P. O. Box 233, 41720 Klang, Selangor Darul Ehsan, Malaysia.

Telephone No : 03-33466262, 03-33412311 Telefax No. : 03-33412793

SUMMARY OF KEY MATTERS DISCUSSED AT THE FIFTY-SIXTH ANNUAL GENERAL MEETING (“56TH AGM”) OF ALUMINIUM COMPANY OF MALAYSIA BERHAD (“ALCOM” OR “THE COMPANY”) HELD ON THURSDAY, 22 JUNE 2017 AT 10.00 A.M.

Pursuant to Paragraph 9.21(2)(b) of the Main Market Listing Requirements, a listed issuer must publish a summary of the key matters discussed at the annual general meeting, as soon as practicable after the conclusion of the annual general meeting.

All ordinary resolutions that were tabled at the 56th AGM were duly approved by the Shareholders through poll voting. The Shareholders also received the Audited Financial Statements of the Company and of the Group, along with the Directors Reports of Directors and Auditors for the financial year ended 31 March 2017.

The following results of the poll and votes casted were projected on a screen::

	Voted in favour		Voted against		Total votes casted	
	No. of shares	%	No. of shares	%	No. of shares	%
ORDINARY BUSINESS						
Ordinary Resolution 1 Declaration of a final special single-tier dividend of 20.5 sen per share for the financial year ended 31 March 2017	78,990,331	100.000	0	0.000	78,990,331	100.000
Ordinary Resolution 2 Re-election of Heon Chee Shyong as Director	78,990,331	100.000	0	0.000	78,990,331	100.000
Ordinary Resolution 3 Re-election of Yeoh Jin Hoe as Director	78,990,331	100.000	0	0.000	78,990,331	100.000
Ordinary Resolution 4 Re-election of Marc Francis Yeoh Min Chang as Director	78,990,256	100.000	75	0.000	78,990,331	100.000
Ordinary Resolution 5 Re-election of Keith Christopher Yeoh Min Kit as Director	78,990,331	100.000	0	0.000	78,990,331	100.000
Ordinary Resolution 6 Re-election of Chee Khay Leong as Director	78,984,331	99.992	6,000	0.008	78,990,331	100.000
Ordinary Resolution 7 Re-election of Wong Choon Shein as Director	78,984,331	99.992	6,000	0.008	78,990,331	100.000
Ordinary Resolution 8 Re-election of Goh Teck Hong as Director	78,984,331	99.992	6,000	0.008	78,990,331	100.000

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Summary of Key Matters Discussed at the 56th AGM held on 22 June 2017 cont'd

	Voted in favour		Voted against		Total votes casted	
	No. of shares	%	No. of shares	%	No. of shares	%
ORDINARY BUSINESS						
Ordinary Resolution 9 Approval of payment of Directors' Fees amounting to RM183,750 to the Directors of the Company and its subsidiary company for the 9-month financial period ending 31 December 2017	78,990,331	100.000	0	0.000	78,990,331	100.000
Ordinary Resolution 10 Approval of payment of benefits of up to RM50,000 to the Non-Executive Directors of the Company and its subsidiary company for the 9-month financial period ending 31 December 2017	78,990,331	100.000	0	0.000	78,990,331	100.000
Ordinary Resolution 11 Appointment of 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	78,988,331	99.997	2,000	0.003	78,990,331	100.000
SPECIAL BUSINESS						
Ordinary Resolution 12 Continuing in Office by Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar as Independent Non-Executive Chairman of the Company	78,990,331	100.000	0	0.000	78,990,331	100.000
Ordinary Resolution 13 Proposed authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016	78,984,331	99.992	6,000	0.008	78,990,331	100.000
Ordinary Resolution 14 Proposed renewal of authority for the Company to purchase its own shares	78,990,331	100.000	0	0.000	78,990,331	100.000
Ordinary Resolution 15 Proposed new mandate for the Company and its subsidiary to enter into recurrent related party transactions of a revenue or trading nature	669,779	99.112	6,000	0.888	675,779	100.000

The Shareholders raised questions during the 56th AGM, which were duly addressed by the Chairman and the Managing Director of the Company. The salient questions raised by the Shareholders are as follows:

- Q1**
- (i) The Company was not performing in the past years. What is the reason for the Company's sudden and substantial transformation this financial year?**
 - (ii) As seen in pages 38 and 39 of the Annual Report 2017, ALCOM contributed 80% to the Group's revenue but contributed only 6.49% to the Group's profit. Where does the bulk of profit come from?**
 - (iii) ALCOM Group supplies its product to Kian Joo Can Factory Berhad ("Kian Joo"). Does that mean better business for the Company?**
 - (iv) What are the Company's roadmap and future plans?**
 - (v) How competitive is ALCOM in the market and can ALCOM sustain its growth with the additional new line? Who are ALCOM's major competitors and how does the Company rank?**
- A1**
- (i) The turnaround of the Company was not sudden. Since Managing Director, Heon Chee Shyong came on board, there were improvements over the last 3 years at factory level, margins as well as delivery and customer services. Visible results of the improvements take time.
 - (ii) The bulk of the Group's profit was contributed by wholly-owned subsidiary Alcom Nikkei Specialty Coatings Sdn. Bhd. ("ANSC"), which produces coated fin stock. ANSC was previously a joint venture with Nippon Light Metal, a Japanese company that brought the technology to ANSC. The Group has in FYE 2017 shifted its focus to coated fin stock. This attributed to the increase in tonnage from 10,000 per annum in the previous year to 14,000, an improvement of 40%. ALCOM sells the foil material to ANSC using global pricing and ANSC adds value to the material by applying a coating using its technology. With this, ANSC can command a premium and gain recognition in the market, thereby increasing the Group's bottom line.
 - (iii) ALCOM supplies lacquered foil material to Kian Joo but the amount is not significant, as shown in the Company's Circular to Shareholders dated 31 May 2017.
 - (iv) As disclosed in the Annual Report 2017, the Group is investing in an additional coating line to capitalise on the growth that is taking place globally. The demand for air-conditioners is increasing around the region, particularly in Thailand and India due to global warming.
 - (v) ALCOM has received orders more than it can meet at the moment. The current lines are running at full capacity and an old idle line has also been revived to meet the orders. ALCOM has built a name that is very competitive and well recognised amongst air-conditioner manufacturers such as Daikin, Panasonic and Hitachi. ALCOM's major competitors are UACJ (a Japanese company) and the China suppliers. The pricing of the China suppliers at the moment are undoubtedly competitive but ALCOM which is known for its quality products and services, is still the preferred brand in the market. Nonetheless, ALCOM will continue to develop more products (such as self-cleaning fins as mentioned in the past) to stay ahead of the competition and expand its reach into other geographical markets which ALCOM has yet to tap into such as Turkey, Spain, Italy, United States of America, so on and so forth.

Q2 What is the amount of capital expenditure required for the investment in the new coating line and when will it be commissioned?

A2 RM18.0 million will be invested for the new coating line. The machine is targeted to be commissioned by June 2018. It will take approximately 24 months to ramp it up to full capacity. It will generate and add a capacity of about 10,000 metric tonnes per annum to the existing 14,000 metric tonnes which the Group produced last year.

There being no further business, the 56th AGM of the Company was concluded, and the Chairman thanked all present for their attendance. The meeting ended at 11.00 a.m. with a vote of thanks to the Chair.

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