

METROD HOLDINGS BERHAD
REGISTRATION NO. 201001032606 (916531-A)
(Incorporated in Malaysia)

Minutes of the Tenth Annual General Meeting (“10th AGM”) of the Company held on a fully virtual basis through online meeting platform via TIIH Online at <https://tiih.online> as provided by Tricor Investor & Issuing House Services Sdn. Bhd. on Monday, 28 June 2021 at 2.00 p.m.

Directors Present Via : Y.Bhg. Datuk Abu Hassan Kendut (“Datuk Chairman”)
Remote Participation Mr Rajan Mittal
Encik Ash’ari bin Ayub
Madam Lydia Anne Abraham
Mr Raghvendra Mittal

In Attendance Via Remote : Ms Wong Wai Foong – Company Secretary
Participation (Zoom Meeting) Mr Yeap Kok Leong – Company Secretary

Invitees Present Via Remote : Mr. Manjit Singh } Representatives from
Participation (Zoom Meeting) Mr. Justin Lim } PricewaterhouseCoopers PLT

Ms Lim You Jing } Representatives from Tricor Corporate
Mr Clarence Tan } Services Sdn. Bhd.

The attendance of shareholders/corporate representatives/proxies via Remote Participation and Voting (“RPV”) is as per the Summary of Attendance List.

1. CHAIRMAN

Datuk Chairman welcomed all present and informed that the 10th AGM of the Company was conducted entirely on a fully virtual basis through the online meeting platform at <https://tiih.online> as provided by Tricor Investor & Issuing House Services Sdn. Bhd., in compliance with Section 327 of the Companies Act 2016, Clause 53(4) of the Company’s Constitution and the Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by Securities Commission Malaysia (“SC”) (“Guidance Note”) on 1 June 2021 to curb the spread of Covid-19.

Datuk Chairman informed that as a result of the implementation of the total lockdown from 1st to 14th June 2021, the SC had on 1 June 2021 further revised its Guidance Note where all meeting participants, including the Chairman of the meeting, board members, senior management and shareholders, were required to participate in the meeting online. Physical gatherings were strictly prohibited during this period. Hence, all Directors, Management, the Company Secretary, the representatives from PricewaterhouseCoopers PLT and the Chairman himself were all participating in the 10th AGM remotely.

Datuk Chairman then introduced the Board members, the Company Secretary and representative from PricewaterhouseCoopers PLT to the shareholders.

Datuk Chairman also informed that in the event his internet connection became unstable, the Independent Non-Executive Director, Encik Ash’ari bin Ayub, would take over the chair of the meeting.

2. NOTICE OF MEETING

With the consent of the shareholders present, the notice convening the meeting was taken as read.

3. QUORUM

Datuk Chairman advised the meeting that the Constitution of the Company required the presence of at least two members or proxies or corporate representatives to form a quorum. For a fully virtual general meeting, the quorum would be determined by the number of members who logged in at the commencement of the meeting.

Datuk Chairman confirmed that a quorum was present pursuant to Clause 56 of the Constitution of the Company and called the meeting to order.

Datuk 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 a general meeting must be voted by poll. The Company was also required to appoint at least one independent scrutineer to validate the votes cast at the meeting. To comply with the requirement, Datuk Chairman declared that all resolutions in the Notice of the 10th AGM would be voted by poll, which would be conducted after the meeting had deliberated on all items on the Agenda.

The poll administrator was Tricor Investor & Issuing House Services Sdn. Bhd. (“TIIH”) (“Poll Administrator”) and the independent scrutineer was Asia Securities Sdn. Berhad.

Datuk Chairman then invited the representative from TIIH, the Poll Administrator, to brief the shareholders on the flow of the meeting.

4. PRESENTATION BY MANAGEMENT

Upon the invitation of Datuk Chairman, Mr Rajan Mittal, the President & Chief Executive Officer (“CEO”) of the Company, presented the financial performance and business operations of the Group for the financial year ended 31 December 2020.

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

Datuk Chairman informed the meeting that the first item on the Agenda was to receive the Audited Financial Statements for the financial year ended 31 December 2020, together with the Reports of the Directors and Auditors thereon, which had been circulated to all shareholders of the Company within the requisite period.

Datuk Chairman explained that Agenda item 1 was meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 (“the Act”) did not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item was not put forward for voting.

Since the question and answer (“Q&A”) session would be held at the end of the meeting, Datuk Chairman declared that the Audited Financial Statements for the financial year ended 31 December 2020, together with the Reports of the Directors and Auditors thereon, were, in accordance with the Act, received.

6. ORDINARY RESOLUTION 1
PAYMENT OF A FINAL SINGLE TIER DIVIDEND OF 6 SEN PER ORDINARY SHARE IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The second item on the Agenda was to approve the payment of a final single tier dividend as recommended by the Directors. Datuk Chairman informed the meeting that the final dividend, if approved, would be paid to the members on 24 September 2021 based on the Record of Depositors as at 27 August 2021 in accordance to the Notice of Dividend Entitlement and Payment.

The following motion was put to the meeting for consideration.

“THAT the payment of a final single tier dividend of 6 sen per ordinary share in respect of the financial year ended 31 December 2020 as recommended by the Directors be approved.”

Since the Q&A session and the polling in respect of the above proposed Ordinary Resolution 1 on payment of a final single tier dividend would be held at the end of the meeting, the meeting moved on to the next item on the Agenda.

7. ORDINARY RESOLUTION 2
PAYMENT OF DIRECTORS’ FEES OF RM345,000.00 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Datuk Chairman proceeded to the next item on the Agenda, which was to approve the payment of Directors’ fees.

The following motion was put to the meeting for consideration.

“THAT the payment of Directors’ fees of RM345,000.00 for the financial year ended 31 December 2020 be approved.”

Since the Q&A session and the polling in respect of the above proposed Ordinary Resolution 2 on the payment of Directors’ fees would be held at the end of the meeting, the meeting moved on to the next item on the Agenda.

8. ORDINARY RESOLUTION 3
PAYMENT OF DIRECTORS’ FEES OF RM95,000.00 FOR THE PERIOD COMMENCING FROM THE DATE IMMEDIATELY AFTER THE 10TH UP TO THE DATE OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD IN 2022

Datuk Chairman proceeded to the next item on the Agenda, which was to approve the payment of Directors’ fees of RM95,000.00.

The following motion was put to the meeting for consideration.

“THAT the payment of Directors’ fees of RM95,000.00 for the period commencing from the date immediately after the 10th AGM up to the date of the next Annual General Meeting of the Company to be held in 2022 be approved.”

Since the Q&A session and the polling in respect of the above proposed Ordinary Resolution 3 on the payment of Directors’ fees would be held at the end of the meeting, the meeting moved on to the next item on the Agenda.

9. ORDINARY RESOLUTION 4
RE-ELECTION OF MS LYDIA ANNE ABRAHAM WHO RETIRES BY ROTATION PURSUANT TO
CLAUSE 76(3) OF THE CONSTITUTION OF THE COMPANY

Datuk Chairman proceeded to the next item on the Agenda, which was on the re-election of Ms Lydia Anne Abraham, who was retiring pursuant to Clause 76(3) of the Constitution of the Company.

The following motion was put to the meeting for consideration.

“THAT Ms Lydia Anne Abraham, retiring pursuant to Clause 76(3) of the Constitution of the Company and who being eligible, be re-elected as Director of the Company be approved.”

Since the Q&A session and the polling in respect of the above proposed Ordinary Resolution 4 on the re-election of Ms Lydia Anne Abraham would be held at the end of the meeting, the meeting moved on to the next item on the Agenda.

10. ORDINARY RESOLUTION 5
RE-ELECTION OF MR RAGHVENDRA MITTAL WHO RETIRES BY ROTATION PURSUANT
TO CLAUSE 76(3) OF THE CONSTITUTION OF THE COMPANY

Datuk Chairman proceeded to the next item on the Agenda, which was on the re-election of Mr Raghvendra Mittal, who was retiring pursuant to Clause 76(3) of the Constitution of the Company.

The following motion was put to the meeting for consideration.

“THAT Mr Raghvendra Mittal, retiring pursuant to Clause 76(3) of the Constitution of the Company and who being eligible, be re-elected as Director of the Company be approved.”

Since the Q&A session and the polling in respect of the above proposed Ordinary Resolution 5 on the re-election of Mr Raghvendra Mittal would be held at the end of the meeting, the meeting moved on to the next item on the Agenda.

11. ORDINARY RESOLUTION 6
RE-APPOINTMENT OF MESSRS PRICEWATERHOUSECOOPERS PLT AS AUDITORS OF
THE COMPANY

Datuk Chairman proceeded to the next item on the Agenda, which was on the re-appointment of the Auditors. The Company’s Auditors, Messrs PricewaterhouseCoopers PLT, had indicated their willingness to continue in office.

The following motion was put to the meeting for consideration.

“THAT Messrs PricewaterhouseCoopers PLT be hereby re-appointed as Auditors of the Company at a fee to be agreed upon with the Directors and to hold office until the conclusion of the next Annual General Meeting be approved.”

Since the Q&A session and the polling in respect of the above proposed Ordinary Resolution 6 on the re-appointment of Auditors would be held at the end of the meeting, the meeting moved on to the next item on the Agenda.

12. ORDINARY RESOLUTION 7
RETENTION OF ENCIK ASH’ARI BIN AYUB AS INDEPENDENT NON-EXECUTIVE DIRECTOR

Datuk Chairman proceeded to the next item on the Agenda, which was on the retention of Encik Ash’ari bin Ayub as an Independent Non-Executive Director of the Company.

Datuk Chairman informed that the Board had through the Nominating Committee, conducted an annual performance evaluation and assessment on Encik Ash’ari’s independence and recommended that he continued in office as Independent Non-Executive Director.

The following motion was put to the meeting for consideration.

“THAT approval be and is hereby given to Encik Ash’ari bin Ayub, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to serve as Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting be approved.”

Since the Q&A session and the polling in respect of the above proposed Ordinary Resolution 7 on the retention of Encik Ash’ari bin Ayub would be held at the end of the meeting, the meeting moved on to the next item on the Agenda.

13. ORDINARY RESOLUTION 8
RETENTION OF Y. BHG. DATUK ABU HASSAN KENDUT AS INDEPENDENT NON-EXECUTIVE DIRECTOR

As the next item on the Agenda was on the retention of Y. Bhg. Datuk Abu Hassan Kendut as Independent Non-Executive Director of the Company, Y. Bhg. Datuk Abu Hassan Kendut passed the chair to Mr Rajan Mittal to chair the meeting for Ordinary Resolution 8.

Mr Rajan Mittal informed that the Board had through the Nominating Committee, conducted an annual performance evaluation and assessment on Y. Bhg. Datuk Abu Hassan Kendut’s independence and recommended that he continued in office as Independent Non-Executive Director.

The following motion was put to the meeting for consideration.

“THAT approval be and is hereby given to Y. Bhg. Datuk Abu Hassan Kendut, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to serve as Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting be approved.”

Since the Q&A session and the polling in respect of the above proposed Ordinary Resolution 8 on the retention of Y. Bhg. Datuk Abu Hassan Kendut would be held at the end of the meeting, the meeting moved on to the next item on the Agenda, Mr Rajan Mittal passed the chair back to Datuk Chairman.

14. ORDINARY RESOLUTION 9
AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

Datuk Chairman proceeded to the next item on the Agenda, which was on the “Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016.”

This proposed Ordinary Resolution 9, if passed, would empower the Directors of the Company to issue and allot ordinary shares of not more than 20% of the total number of the issued shares of the Company (excluding treasury shares) for such purposes as the Directors of the Company consider would be in the best interest of the Company. Such approval on the Proposed 20% General Mandate shall continue to be in force until 31 December 2021.

With effect from 1 January 2022, the general mandate should be reinstated from a 20% limit to a 10% limit, pursuant to Paragraph 6.03 of the Listing Requirements. This authority would, unless revoked or varied at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company.

This authority would provide flexibility and enable the Directors of the Company to take swift action to allot shares for fund-raising activities, including but not limited to further placement of shares for the purpose of funding current and/or future investment project(s), working capital repayment of bank borrowings, acquisition(s) and/or for issuance of shares as settlement of purchase consideration, and to avoid incurring additional cost and time in convening general meetings to approve such issuance of shares.

The following motion was put to the meeting for consideration.

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 20% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed 20% General Mandate”).

THAT such approval on the Proposed 20% General Mandate shall continue to be in force until 31 December 2021.

THAT with effect from 1 January 2022, the general mandate shall be reinstated from a 20% limit to a 10% limit pursuant to Paragraph 6.03 of the Listing Requirements provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer by the Company from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed 10% General Mandate”).

THAT such approval on the Proposed 10% General Mandate shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting of the Company held after the approval was given;

- b. the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
- c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

(The Proposed 20% General Mandate and Proposed 10% General Mandate shall hereinafter refer to as “Proposed General Mandate”)

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

Since the Q&A session and the polling in respect of the above proposed Ordinary Resolution 9 on the authority to issue and allot shares would be held at the end of the meeting, the meeting moved on to the next item on the Agenda.

15. ORDINARY RESOLUTION 10
PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Datuk Chairman proceeded to the next item on the Agenda, which was on the “Proposed Renewal of the Existing Shareholders’ Mandate for the Recurrent Related Party Transactions of Revenue or Trading Nature (“Proposed Renewal of Shareholders’ Mandate”)”.

The interested Director, Mr Raghendra Mittal, had abstained from all Board deliberations and voting in respect of the Proposed Renewal of Shareholders’ Mandate. He had also undertaken measures to ensure that persons connected to him would also abstain from voting in respect of their direct or indirect shareholdings on the Proposed Renewal of Shareholders’ Mandate.

The following motion was put to the meeting for consideration.

“THAT subject to the Companies Act 2016 (“the Act”), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad and other relevant government/regulatory authorities, where such approval is necessary, it is hereby mandated that approval be and is hereby given to the Company and/or its subsidiaries (“Group”) to enter into recurrent transactions of a revenue or trading nature with related parties which are necessary for the day-to-day operations, undertaken in the ordinary course of business at arm’s length basis and are on normal commercial terms and transaction price which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company as set out in Section 2.5 of the Circular and that authority be conferred by this resolution shall commence immediately upon the passing of this resolution;

THAT the authority conferred by such mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the general meeting at which such mandate is approved, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after the date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier;

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders’ Mandate.”

Since the Q&A session and the polling in respect of the above proposed Ordinary Resolution 10 on the Proposed Renewal of Shareholders’ Mandate would be held at the end of the meeting, the meeting moved on to the next item on the Agenda.

16. ANY OTHER BUSINESS

Datuk Chairman informed the meeting that the Company had not received any notice to deal with any other business, for which due notice was required to be given pursuant to the Act. Datuk Chairman proceeded to the Q&A session.

17. Q & A SESSION

Datuk Chairman invited Mr Rajan Mittal to address the questions submitted before the meeting and also questions which were raised by the shareholders during the meeting.

The summary of questions from the shareholders/proxies received during the 10th AGM and the responses from Mr Rajan Mittal and Datuk Chairman are attached hereto as “Appendix A”.

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18. POLLING

Having dealt with all the questions through the query box, the meeting proceeded to vote on Resolutions 1 to 10 by poll. Datuk Chairman adjourned the meeting at 2.48 p.m. for the votes to be counted and verified.

Upon completion of the counting of votes by the Poll Administrator and verification of the results by the Independent Scrutineer, Datuk Chairman resumed the meeting at 3.09 p.m. for the declaration of the results of the poll as follows:

| Resolution(s) | Vote For | | Vote Against | | Total Votes | |
|------------------------|-------------|----------|--------------|--------|-------------|----------|
| | No of Units | % | No of Units | % | No of Units | % |
| Ordinary Resolution 1 | 105,403,250 | 100.0000 | 0 | 0.0000 | 105,403,250 | 100.0000 |
| Ordinary Resolution 2 | 105,395,250 | 100.0000 | 0 | 0.0000 | 105,395,250 | 100.0000 |
| Ordinary Resolution 3 | 105,395,250 | 100.0000 | 0 | 0.0000 | 105,395,250 | 100.0000 |
| Ordinary Resolution 4 | 105,403,250 | 100.0000 | 0 | 0.0000 | 105,403,250 | 100.0000 |
| Ordinary Resolution 5 | 105,403,250 | 100.0000 | 0 | 0.0000 | 105,403,250 | 100.0000 |
| Ordinary Resolution 6 | 105,403,250 | 100.0000 | 0 | 0.0000 | 105,403,250 | 100.0000 |
| Ordinary Resolution 7 | 105,403,250 | 100.0000 | 0 | 0.0000 | 105,403,250 | 100.0000 |
| Ordinary Resolution 8 | 105,403,250 | 100.0000 | 0 | 0.0000 | 105,403,250 | 100.0000 |
| Ordinary Resolution 9 | 105,399,250 | 99.9962 | 4,000 | 0.0038 | 105,403,250 | 100.0000 |
| Ordinary Resolution 10 | 16,922,330 | 99.9764 | 4,000 | 0.0236 | 16,926,330 | 100.0000 |

Based on the above poll results, Datuk Chairman declared Ordinary Resolutions 1 to 10 carried.

19. CLOSURE OF MEETING

Datuk Chairman thanked the shareholders/proxies present and closed the meeting at 3.20 p.m.

CONFIRMED AS A CORRECT RECORD

-SIGNED-

Y.BHG. DATUK' ABU HASSAN KENDUT
CHAIRMAN

Dated: 22 JULY 2021

METROD HOLDINGS BERHAD
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(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE TENTH ANNUAL GENERAL MEETING (“10TH AGM”) OF THE COMPANY HELD ON MONDAY, 28 JUNE 2021 AT 2.00 P.M.

1. How does the copper price affect the bottom line of Metrod? The annual report states that even though the pandemic has resulted in a revenue drop, the copper price has soared to record high. Wouldn't that translate to high selling prices for Metrod's products?

What is the Management's outlook for FY2021 as there's a surge in demand in semiconductor and electronic sectors worldwide?

Reply: Mr Rajan Mittal, the President & Chief Executive Officer

Metrod is a copper manufacturing and fabricating company. Over the last 40 years, the group has held a policy of fully hedging its copper prices. Metrod buys the copper raw material for customers at the market price agreed by the customers. Metrod as a manufacturer does not carry any exposure on either copper price or foreign exchange. The Group does not enjoy additional gains on the surge in copper price and neither on the foreign exchange. When the copper prices increase/decrease the turnover and cost of goods sold increase/decrease in tandem. The fluctuation of the copper price will be directly reflected in the selling price and the Company will not make additional profit or lose any money from the movement of the copper prices.

Higher copper prices do not benefit Metrod because it results in a much higher working capital requirement which need to be funded. As mentioned earlier the Company does not stand to gain or lose any profit due to the fluctuation of the copper prices.

In relation to the question on the outlook for 2021, there is a surge in demand worldwide. Metrod's markets are primarily in Asia (Malaysia as the home market, Singapore, Thailand and Indonesia), Asia Pacific region, Australia and India, primarily in the South Asia. However, most of these markets continue to be affected by the Covid-19 pandemic currently, and the economic activities remain low. The Company is hoping that as soon as the effect of the pandemic reduces, the demand will be restored and the Company can resume its normal operations.

The demand is currently subdued in Malaysia because factories and the supply chain are not allowed to operate. A lot of economy sectors are also not open. While the underlying demand remains, physical demand remains subdued.

2. Metrod market capital is only 0.08 times of sales and 0.4 times of net tangible asset. The Company has spent heavily in the past few years to become the top copper player in the region in terms of capacity. How does Management unlock the value of the capital expenditure invested?

Reply: Mr Rajan Mittal, the President & Chief Executive Officer

This new capital expenditure was incurred in the year 2018 and the year 2019 was the first year of starting with the new technology. The operations team of the Company did an excellent job in learning and adopting the new technology. Today, we have come a long way in terms of coming very near to the operating parameters that the technology supplier has mandated. Year 2020 and 2021 the business operations have been negatively impacted by the Covid-19 pandemic. The Company believes it can unlock the value in terms of operating at higher volumes and at a much lower operating cost to generate some decent profits, going forward, when the situation improves.

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The Company remains committed and confident. These plants are built with a useful life of 30 to 40 years. A year or two of pandemic does not fundamentally change Metrod's future prospects.

3. What are the key industries of Metrod’s customers in Malaysia and Asia Pacific? Who are the customers?

Does Metrod supply directly to the manufacturer who uses the products or supply through a trading arm of the mother company?

Reply: Mr Rajan Mittal, the President & Chief Executive Officer

Copper is a conductor of electricity. The primary use of copper is power generation, transmission and distribution; the other is for the home sector, such as white goods where copper is used in the motor in washing machines, refrigerator, etc. in Malaysia and worldwide.

Metrod supplies copper directly to customers and does not use third-party trading arms.

4. Can the Company kindly give e-vouchers or meal vouchers to the event participants, especially during the current pandemic lockdown?

Reply: Y.Bhg. Datuk Abu Hassan Kendut, the Chairman of the Company

Shareholders who have been with Metrod for a very long time will know that the Company has never issued vouchers in past annual general meetings (“AGM”). Metrod would prefer to meet all the shareholders who are present at the physical meeting and enjoy a buffet lunch, as practiced in the past. Hence, we hope that we can meet all of you personally and enjoy a buffet lunch together as soon as everything is back to normal next year.

5. How much does our Company spend to hold this virtual AGM through remote participation and voting?

Reply: Mr Rajan Mittal, the President & Chief Executive Officer

With more adoption of technology, the cost has decreased significantly. In 2020, we had to hold the AGM at a broadcast venue, while in 2021, we are all meeting virtually from an online platform. The cost was not significant in 2020 and has become nominal in 2021.

6. Is Metrod allowed to operate during the lockdown? If yes, what is the capacity utilisation of the plant currently? Is it at 60% of the workforce?

Reply: Mr Rajan Mittal, the President & Chief Executive Officer

Yes, the Company has obtained approval from MITI to operate, but the current MCO is certainly impacting the operations. Our plant utilisation currently is about 50%. We have furnaces which need to be continuously operating and maintained and no one works with 40% surplus manpower. Therefore, while we are working, people are under stress, they have to work for longer hours and we have to incur overtime payment but we are trying to operate as much as we can in compliance with the law, and try our best to meet the customers’ demand.

Metrod is fortunate to have the approval to operate during MCO 3.0. However, many of our supply chains do not have the approval though there has been a significant amount of engagement with the relevant ministries. If the problem remains unresolved, we are quite concerned that even though we have the capacity and people to operate, we might not have the support system.

7. Who are the major competitors of Metrod in this region? Will Metrod penetrate the China market, which will see a boom in the electronic and semiconductor sectors in the coming years?

Reply: Mr Rajan Mittal, the President & Chief Executive Officer

Metrod has domestic competitors as well as in overseas countries, i.e. Thailand, Vietnam, Indonesia and India. The primary reasons that we can export are our quality, cost and the value we create for the customers in terms of providing hedging facilities. So, while our competition remains intense, we have some advantage, and the customers see the value we provide.

Metrod does not export directly to the China market as China has a gross surplus over capacity. While China is the largest consumer of copper in the world, it also has very large rod and wire capacity, which can supply to the whole world. We do not have any window of opportunity to supply to China and we do not intend to supply to China.

Besides, there are other challenges in China. They do not deal on the London Metal Exchange and prefer to deal on the Shanghai Metal Exchange, for which there is no hedging facility available from Malaysia. We can assure you that there is no loss of business opportunity as supplying to the China market does not work for Metrod. However, wherever there are opportunities available, for example, in the electric vehicle segment or some specialised segments, we are certainly entering those markets.