



MINORITY SHAREHOLDERS WATCH GROUP
Shareholder Activism and Protection of Minority Interest

13 October 2022

BY EMAIL/FAX/HAND

The Board of Directors
Ancom Logistics Berhad
Unit C508, Block C, Kelana Square
Jalan SS7/26, Kelana Jaya,
47301 Petaling Jaya,
Selangor Darul Ehsan.

Attention: Mr Choo Se Eng/ Mr Stephen Geh Sim Whye
Company Secretaries

Dear Directors,

**Re: 56th Annual General Meeting (“AGM”) of Ancom Logistics Berhad (“ANCOMLB”
or the “Company”) to be held on Thursday, 27 October 2022**

In the interest of minority shareholders and all other stakeholders of the Company, we would like to raise the following questions: -

Operational & Financial Matters

1. The management expects the construction of additional 10,000 cbm of tank farm to commence in November 2022. What is the budgeted cost for the construction of the additional 10,000 cbm of tank farm and how will the capacity expansion be funded?
2. The Heads of Agreement (as supplemented by the Supplemental HOA) with S7 Holdings Sdn Bhd, Merrinton Assets Limited, MY E.G. Capital Sdn Bhd, and Avocat Sdn Bhd relating to the acquisition of new business and disposal of the existing core business of the Company to Nylex (Malaysia) Berhad as part of the group restructuring had expired and lapsed on 15 April 2022.
 - i) Has the company received the refundable deposit of RM10m from S7 Holdings Sdn Bhd?
 - ii) At the 54th AGM of the company, it was clarified that the RM10m was funded by repayment of RM2.5m by Ancom Berhad plus a further advance by Ancom

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

Incorporated in Malaysia Registration No: 200001022382 (524989-M)

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Berhad to ANCOMLB of RM7.5m. Was the amount owing to the holding company an interest-bearing advance? If yes, what was the interest rate?

3. At the 55th annual general meeting last year, the company updated that the trucking division owned 86 trucks. What is the current fleet size and what was the average utilisation rate for FY2022? How much is allocated for replacement of trucks in FY2023?
4. The group's annual revenue has been flattish for the past 8 years since FY2015, ranging between RM28.3m and RM32.4m. Besides the planned expansion of capacity of tank farm, is the group actively pursuing merger and acquisition opportunities to grow the business?

Please present the questions raised herein, and the related answers, to the shareholders present at the forthcoming AGM. At the same time, we await a written reply as soon as possible for our records.

Thank you.

Yours sincerely



Devanesan Evanson
Chief Executive Officer
DE/OBH/ANCOMLB/AGM2022

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