

## **ANCOM LOGISTICS BERHAD (6614-W)**

(Incorporated in Malaysia)

MINUTES OF THE 53<sup>RD</sup> ANNUAL GENERAL MEETING OF THE COMPANY HELD AT SELANGOR BALLROOM 1, DORSETT GRAND SUBANG, JALAN SS12/1, 47500 SUBANG JAYA SELANGOR DARUL EHSAN ON THURSDAY, 17 OCTOBER 2019 AT 11.30 A.M.

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- PRESENT : **Directors**  
Dato' Abdul Latif Bin Abdullah - Chairman  
Dato' Siew Ka Wei  
Encik Abdul Latif Bin Mahamud  
Mr Lim Hock Chye  
Encik Safrizal Bin Mohd Said
- : **Shareholders**  
As per attendance list
- BY INVITATION : Mr Lim Chang Meng (Chief Financial Officer)
- IN ATTENDANCE : Mr Stephen Geh Sim Whye (Company Secretary)  
Mr Choo Se Eng (Company Secretary)

### **1. CHAIRMAN**

Dato' Abdul Latif Bin Abdullah presided as the Chairman of the Meeting.

### **2. QUORUM**

The Chairman welcomed all attendees to the Meeting. The Meeting was called to order at 11.30 a.m. upon the Secretary confirming the presence of a quorum in accordance with Clause 80 of the Company's Constitution.

### **3. NOTICE**

The Notice convening the Meeting, having been circulated and advertised in the New Straits Times newspapers on 25 September 2019 within the statutory period, was taken as read.

The Chairman informed the Meeting that pursuant to Paragraph 8.31(A)(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of Annual General Meeting shall be decided by poll. The polling process shall be conducted upon completion of the deliberation of all items to be transacted at the Meeting.

The Chairman further informed that the Company has appointed Tricor Investor and Issuing House Services Sdn. Bhd. ("Poll Administrator") to conduct poll voting electronically and Asia Securities Sdn. Berhad as independent scrutineers.

### **4. QUESTIONS FROM THE MINORITY SHAREHOLDERS WATCH GROUP ("MSWG")**

The Chairman informed the Meeting that the Board received a letter from MSWG dated 7 October 2019 and MSWG has requested the Company to present the questions raised in the letter at this Meeting. The Chairman then invited the Company's Chief Financial Officer, Mr Lim Chang Meng, to present the Company's responses to the questions raised by the MSWG.

After the presentation, the Chairman informed the Meeting that the letter from MSWG and the Company's responses will be made available on the Company's website.

5. **AUDITED FINANCIAL STATEMENTS AND REPORTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2019**

The Audited Financial Statements for the financial year ended 31 May 2019 together with the Reports of the Directors and Auditors thereon, having been circulated to all the shareholders of the Company within the statutory period, were tabled to the Meeting for discussion.

The Chairman informed that this Agenda item was meant for discussion only as the provisions of Section 340(1)(a) of the Companies Act 2016 does not require the approval by the shareholders. Hence, this Agenda item would not be put forward for voting.

The Chairman invited questions from the floor on the Audited Financial Statements for the financial year ended 31 May 2019.

After fielding questions (attached herein as Appendix I) brought up by the shareholders, the Chairman declared that the Audited Financial Statements and Reports of the Company for the financial year ended 31 May 2019 have in accordance with the Companies Act 2016 been properly laid and received.

6. **ORDINARY RESOLUTION 1  
RE-ELECTION OF DATO' SIEW KA WEI**

The Chairman proceeded with the next item on the Agenda, which is the re-election of Dato' Siew Ka Wei as Director of the Company in accordance with Clause 125 of the Company's Constitution.

There being no question raised, the Chairman informed that the poll for Ordinary Resolution 1 would be taken at the end of the Meeting.

7. **ORDINARY RESOLUTION 2  
RE-ELECTION OF ENCIK ABDUL LATIF BIN MAHAMUD**

The Chairman proceeded with the next item on the Agenda which is the re-election of Encik Abdul Latif Bin Mahamud as Director of the Company in accordance with Clause 125 of the Company's Constitution.

There being no question raised, the Chairman informed that the poll for Ordinary Resolution 2 would be taken at the end of the Meeting.

8. **ORDINARY RESOLUTION 3  
PAYMENT OF DIRECTOR'S FEES**

The Chairman proceeded to the next item on the Agenda, which was the payment of Directors' fees of RM282,205.00 for the financial year ended 31 May 2019.

There being no question raised, the Chairman informed that the poll for Ordinary Resolution 3 would be taken at the end of the Meeting.

9. **ORDINARY RESOLUTION 4  
PAYMENT OF DIRECTORS' BENEFITS (EXCLUDING DIRECTORS' FEES)**

The Meeting then proceeded with the next item on the Agenda, which was the payment of the Directors' benefits (excluding Directors' fees) of up to RM90,000.00 from 17 October 2019 until the date of the next Annual General Meeting of the Company.

There being no questions raised, the Chairman informed that the poll for Ordinary Resolution 4 would be taken at the end of the Meeting.

**10. ORDINARY RESOLUTION 5**  
**RE-APPOINTMENT OF AUDITORS**

The next agenda of the Meeting was to consider the re-appointment of Messrs BDO PLT as auditors of the Company for the next financial year.

It was noted that Messrs BDO PLT had indicated their willingness to continue in office.

There being no question raised, the Chairman informed that the poll for Ordinary Resolution 5 would be taken at the end of the Meeting.

**11. ORDINARY RESOLUTION 6**  
**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF RRPT MANDATE")**

The Chairman informed the shareholders that the details pertaining to the Proposed Renewal of RRPT Mandate had been circulated to the shareholders via the Company's Circular to Shareholders dated 25 September 2019.

There being no question raised, the Chairman informed that the poll for Ordinary Resolution 6 would be taken at the end of the Meeting.

**12. ORDINARY RESOLUTION 7**  
**PROPOSED AUTHORITY TO ISSUE AND ALLOT SHARES**

The Meeting proceeded to consider the motion on the proposed authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.

There being no question raised, the Chairman informed that the poll for Ordinary Resolution 7 would be taken at the end of the Meeting.

**13. ORDINARY RESOLUTION 8**  
**CONTINUING IN OFFICE AS INDEPENDENT DIRECTOR – MR LIM HOCK CHYE**

The Chairman informed that Ordinary Resolution 8, if passed, would allow Mr Lim Hock Chye, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 12 years, to continue to serve as an Independent Non-Executive Director of the Company.

The Chairman stated that the Company is not adopting the 2-tier voting process recommended by the Malaysian Code on Corporate Governance.

There being no question raised, the Chairman informed that the poll for Ordinary Resolution 8 would be taken at the end of the Meeting.

**14. ORDINARY RESOLUTION 9**  
**CONTINUING IN OFFICE AS INDEPENDENT DIRECTOR – ENCIK SAFRIZAL BIN MOHD SAID**

The Chairman informed that Ordinary Resolution 9, if passed, would allow Encik Safrizal Bin Mohd Said, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 12 years, to continue to serve as an Independent Non-Executive Director of the Company.

The Chairman stated that the Company is not adopting the 2-tier voting process recommended by the Malaysian Code on Corporate Governance.

There being no question raised, the Chairman informed that the poll for Ordinary Resolution

9 would be taken at the end of the Meeting.

**15. OTHER ORDINARY BUSINESS**

The Chairman informed the Meeting that the Company did not receive any notice from the Shareholders for other business given in accordance with the Constitution of the Company and the Companies Act 2016 to be transacted at this Meeting.

**16. VOTING BY POLL**

Having taken the Meeting through all the items on the Agenda, the Chairman declared commencement of the poll voting process for all the proposed resolutions.

The representative from the Poll Administrator was invited to explain the procedures for the conduct of the poll at the Meeting.

The Chairman adjourned the Meeting for 20 minutes to enable the conduct of the poll by electronic voting on all nine (9) resolutions.

The results of the poll were then verified by the independent scrutineer.

**17. RESULTS OF VOTING BY POLL**

At 12.10 p.m., the Chairman reconvened the Meeting for the announcement of poll results. He presented the results of the poll (attached herein as Appendix II) to the Meeting and declared that all resolutions were carried, as follows:-

**a) Ordinary Resolution 1 - Re-election of Dato' Siew Ka Wei**

By a poll of 214,421,315 votes for the Resolution and 1,101,745 votes against the Resolution, it was RESOLVED:-

“THAT Dato' Siew Ka Wei who retired pursuant to Clause 125 of the Company's Constitution be and is hereby re-elected as Director of the Company.”

**b) Ordinary Resolution 2 – Re-election of Encik Abdul Latif Bin Mahamud**

By a poll of 215,521,507 votes for the Resolution and 1,553 votes against the Resolution, it was RESOLVED:-

“THAT Encik Abdul Latif Bin Mahamud who retired pursuant to Clause 125 of the Company's Constitution be and is hereby re-elected as Director of the Company.”

**c) Ordinary Resolution 3 – Payment of Directors' Fees**

By a poll of 214,422,007 votes for the Resolution and 1,101,553 votes against the Resolution, it was RESOLVED:-

“THAT the payment of Directors' fees of RM282,205.00 for the financial year ended 31 May 2019 be and is hereby approved.”

**d) Ordinary Resolution 4 – Payment of Directors' Benefits (Excluding Directors' Fees)**

By a poll of 214,420,857 votes for the Resolution and 1,102,203 votes against the Resolution, it was RESOLVED:-

“THAT the payment of Directors' benefits (excluding Directors' fees) of up to RM90,000.00 for the period from 17 October 2019 until the next Annual General Meeting

of the Company be and is hereby approved.”

**e) Ordinary Resolution 5 – Re-appointment of Auditors**

By a poll of 215,522,871 votes for the Resolution and 189 votes against the Resolution, it was RESOLVED:-

“THAT Messrs BDO PLT be and are hereby re-appointed as Auditors of the Company for the financial year ending 31 May 2020 at a remuneration to be fixed by the Directors.”

**f) Ordinary Resolution 6 – Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transaction of a Revenue and Trading Nature (“Proposed Renewal of RRPT Mandate”)**

By a poll of 1,257,259 votes for the Resolution and 1,553 votes against the Resolution, it was RESOLVED:-

“THAT subject always to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.4 of the Circular to Shareholders dated 25 September 2019, provided that such transactions are necessary for day-to-day operations and carried out in the ordinary course of business and at arms-length basis on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interest of the minority shareholders of the Company.

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

- (i) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next Annual General Meeting is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016; or
- (iii) revoked or varied by a resolution passed by the shareholders in general meeting.

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby empowered and authorised to complete and do all such acts and things as they may consider expedient or necessary in the best interest of the Company to give effect to the Proposed Renewal of RRPT Mandate.”

**g) Ordinary Resolution 7 - Authority to Issue and Allot Shares**

By a poll of 214,421,507 votes for the Resolution and 1,101,553 votes against the Resolution, it was RESOLVED:-

“THAT subject always to the Companies Act 2016 (“Act”), the Constitution of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered pursuant to Section 75 of the Act to issue and allot shares in the Company from time to time and upon such terms and conditions, to such persons and for such purposes as the Directors may deem fit PROVIDED THAT the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company and that such authority shall

continue in force until the conclusion of the next Annual General Meeting of the Company pursuant to Section 76 of the Act, AND THAT the Directors are further authorised to do all such things and upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company to give effect to the issuance of new shares under this resolution including making such applications to Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad pursuant to this resolution.”

**h) Ordinary Resolution 8 – Continuing in Office as Independent Director – Mr Lim Hock Chye**

By a poll of 215,521,407 votes for the Resolution and 1,653 votes against the Resolution, it was RESOLVED:-

“THAT approval be and is hereby given to Lim Hock Chye, who has served as an Independent Director of the Company for a cumulative term of more than twelve (12) years, to continue to serve as an Independent Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysia Code on Corporate Governance.”

**i) Ordinary Resolution 9 - Continuing in Office as Independent Director – Encik Safrizal Bin Mohd Said**

By a poll of 215,521,407 votes for the Resolution and 1,653 votes against the Resolution, it was RESOLVED:-

“THAT approval be and is hereby given to Safrizal Bin Mohd Said, who has served as an Independent Director of the Company for a cumulative term of more than twelve (12) years, to continue to serve as an Independent Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysia Code on Corporate Governance.”

**18. CONCLUSION**

There being no other business, the meeting was concluded at 12.30 p.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

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CHAIRMAN

Dated: 11 November 2019

**ANCOM LOGISTICS BERHAD (6614-W)**  
(Incorporated in Malaysia)

**Summary of Discussion at the 53<sup>rd</sup> Annual General Meeting of the Company Held at Selangor 1 Ballroom, Dorsett Grand Subang, Jalan SS12/1, 47500 Subang Jaya, Selangor Darul Ehsan on Thursday, 17 October 2019 at 11.30 a.m.**

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**AGENDA 1:  
AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2019  
TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The questions and answers are arranged in chronological order.

**Question 1 : Mr Tan Jit Liang – Shareholder**

- (a) If the tank farms are fully leased out, why is the Company suffering losses?
- (b) What is the percentage of tank farms leased out to third parties and to the Nylex Group?
- (c) What is the rate charged to the Nylex Group for the lease of the tank farm?

**Answer : Mr Lim Chang Meng – Chief Financial Officer**

- (a) As mentioned in the Company's reply to questions from the MSWG, both the tank farm and trucking business are profitable.

**Dato' Siew Ka Wei – Executive Vice-Chairman**

- (b) 55% of tank farms are rented to third parties and 45% to the Nylex Group.
- (c) The rental rates are at a 10% discount for bulk long-term customers in line with industry practice.

**Question 2 : Mr Tan Jit Liang – Shareholder**

Why is the Group looking into expending their tank farm capacity if it has to lease them out to Nylex Group at discounted rates just to fill up the capacity?

Why can't the tank space be rented out to third parties at full rates?

**Answer : Dato' Siew Ka Wei – Executive Vice-Chairman**

There are many tank farms with ample space in West Port area meaning if Nylex Group does not take up the space at the Company's facility, there may be chances that the third parties may not want to rent our tank if we do not offer attractive enough rates.

The Company is looking into expanding the number of tanks that can store petrochemicals due to the shortage of such tanks in the market.

**Comments from Mr Quah Ban Aik of MSWG**

Mr Quah commented the Board for conducting the proceedings of the AGM in a very open manner where shareholders are not restricted in any way to ask questions. He also commended the Board and management for the patience in providing answers to the questions from the shareholders.

Prepared by:  
STEPHEN GEH SIM WHYE  
Joint company Secretary