

ANCOM LOGISTICS BERHAD
196601000150 (6614-W)
(Incorporated in Malaysia)

**MINUTES OF THE 58TH ANNUAL GENERAL MEETING (“AGM”) OF THE COMPANY
CONDUCTED ENTIRELY THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT
NO. 2A JALAN 13/2, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN, ON
TUESDAY, 29 OCTOBER 2024 AT 11.00 A.M.**

Present at	:	Dato’ Abdul Latif bin Abdullah – Chairman
Broadcast Venue	:	Dato’ Siew Ka Wei – Executive Vice Chairman (“EVC”)
	:	Tan Sri Datuk Dr Ampikaipakan A/L S.Kandiah – Independent Non-Executive Director
	:	Datuk Hasnul Bin Hassan – Deputy Chief Executive Officer (“DCEO”)
	:	Mr Lim Chang Meng – Chief Financial Officer (“CFO”)
	:	Mr Choo Se Eng – Company Secretary
Present via video conferencing	:	Datuk Mohd Farid Bin Mohd Adnan – Independent Non-Executive Director
	:	Datin Joanne Marie Lopez – Independent Non-Executive Director
	:	Dato Mohammad Medan Bin Abdullah – Independent Non-Executive Director
	:	Datuk Lee Cheun Wei – Non-Independent Non-Executive Director
	:	Mr Brendan Francis Lim Jern Zhen – BDO PLT, External Auditors

The shareholders/corporate representatives/proxies who attended the 58th AGM remotely via the remote participation and voting (“RPV”) facilities are as stated in the Summary of Attendance List.

1. CHAIRMAN

The Chairman, Dato’ Abdul Latif Bin Abdullah, extended a warm welcome to the shareholders and proxies who attended the 58th AGM.

He then introduced the Board members, DCEO, CFO, Company Secretary and the representative from BDO PLT to the attendees.

2. QUORUM

There being a quorum in accordance with Clause 9 of the Company’s Constitution, the Meeting was called to order.

3. NOTICE

The Notice convening the Meeting dated 30 September 2024 (“Notice”) having been circulated to all shareholders of the Company and advertised in the New Straits Times newspaper within the prescribed period, was taken as read.

4. POLLING PROCEDURES AND ADMINISTRATIVE MATTERS

The Chairman informed 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 shall be decided by poll.

The Chairman further informed that the Company had appointed Tricor Investor and Issuing House Services Sdn Bhd, the Company’s Share Registrar, as Poll Administrator to facilitate the poll voting process. The Company had also appointed Quantegic Services

Sdn Bhd as Independent Scrutineers to verify the poll results.

The Chairman announced that the voting session had commenced and will end after an announcement at the end of the voting session.

5. AUDITED FINANCIAL STATEMENTS AND REPORTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

The Audited Financial Statements for the financial year ended 31 May 2024 together with the Reports of the Directors and Auditors thereon, having been circulated to all the shareholders of the Company within the prescribed period, were tabled to the Meeting for discussion.

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

The Chairman further informed the shareholders to submit their questions that they may have into the query box and the Company would respond to them during the Questions and Answers session later.

The Chairman then declared that the Audited Financial Statements and Reports of the Company for the financial year ended 31 May 2024 have in accordance with the Companies Act 2016 been properly tabled and received by the shareholders.

6. OTHER AGENDA ITEMS IN THE NOTICE

After having tabled the Audited Financial Statements at the Meeting, the Chairman went through each of the motions set out in the Notice of AGM.

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

7. QUESTIONS AND ANSWERS SESSION

The Chairman informed the Meeting that the Board received a letter with questions from Minority Shareholders Watch Group ("MSWG") dated 23 October 2024.

He then directed the CFO to present the Company's responses to the questions raised by MSWG. The summary of the presentation, which forms part of the minutes, is annexed herein as **Appendix A**.

The Chairman further informed the Meeting that the letter from MSWG and the Company's responses would be made available on the Company's website.

The CFO and EVC proceeded to address the questions posed by the shareholders or proxies, as follows: -

(Q1) How has the increase in diesel price impacted the Group?

Company's response:

The increase in diesel prices has a minimal impact on the Group as the Logistics division benefits from subsidised diesel prices.

(Q2) What is the impact of new mandatory EPF contributions for foreign workers and the Global Minimum Tax (“GMT”) to the Company and the Group?

Company’s response:

The new mandatory EPF contribution and GMT rate do not affect the Company nor the Group, as no foreign workers are employed, and GMT only applies to multinational companies.

(Q3) Will the year 2025 be a better year?

Company’s response:

The year 2025 will be a year with increased turnover due to the expansion of tank farms, accompanied by a substantial corresponding increase in lease charges payable to West Port. Additionally, the proposed acquisition of Green Lagoon Technology Sdn. Bhd. is currently undergoing the due diligence process, and the Company believes that the proposed acquisition, when completed, will provide a positive outlook for the Group in the future.

(Q4) What is the cost of the virtual AGM?

Company’s response:

The cost is RM110,000 inclusive of door gifts.

(Q5) What is the future outlook and prospects after the proposed restructuring?

Company’s response:

The question has been addressed under Q3.

(Q6) Request for door gifts.

Company’s response:

The Company will be providing products made by related companies, such as organic mosquito repellent and health supplements, as a token of appreciation to the registered shareholders holding no less than 1,000 shares and who attended the AGM personally or have appointed proxies to attend the AGM and they stayed throughout the proceedings.

8. POLL VOTING SESSION

After dealing with all questions raised, the Chairman invited the shareholders and proxies to cast their votes.

The Meeting was adjourned for 20 minutes to enable the completion of the poll voting process.

9. ANNOUNCEMENT OF POLL RESULTS

At 11.40 a.m., the Chairman reconvened the Meeting for the announcement of poll results. He presented the results of the poll to the Meeting and declared that all Resolutions were carried, as follows: -

Ordinary Resolution 1

Re-election of Director - Dato’ Abdul Latif Bin Abdullah

By a poll of 163,696,974 votes for the Resolution and 26,419 votes against the Resolution, it was **RESOLVED**: -

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

Ordinary Resolution 2

Re-election of Director - Dato' Siew Ka Wei

By a poll of 163,697,144 votes for the Resolution and 26,167 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.

Ordinary Resolution 3

Payment of Directors' Fees for Financial Year Ending 31 May 2025 to be Paid Quarterly in Arrears

By a poll of 163,573,469 votes for the Resolution and 149,728 votes against the Resolution, it was **RESOLVED**: -

THAT the payment of Non-Executive Directors' fees for the financial year ending 31 May 2025 to be paid quarterly in arrears be and is hereby approved.

Ordinary Resolution 4

Payment of Directors' Benefits to the Non-Executive Directors

By a poll of 163,386,275 votes for the Resolution and 334,922 votes against the Resolution, it was **RESOLVED**: -

THAT the payment of Directors' benefits (excluding Non-Executive Directors' fees) for the period from 29 October 2024 until the date of the next Annual General Meeting of the Company be and is hereby approved.

Ordinary Resolution 5

Re-Appointment of Auditors

By a poll of 163,690,041 votes for the Resolution and 33,533 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 2025 at a remuneration to be fixed by the Directors.

Ordinary Resolution 6

Renewal of Shareholders' Mandate for Recurrent Related Party Transactions ("RRPTs") of a Revenue or Trading Nature

By a poll of 2,951,342 votes for the Resolution and 25,787 votes against the Resolution, it was **RESOLVED**: -

THAT subject always to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), approval be and is hereby given to the Company and/or its subsidiaries to enter into the RRPTs of a revenue or trading nature with the related parties as specified in Section 2.4 of the Circular to Shareholders dated 30 September 2024, provided that such transactions are necessary for the Group's day-to-day operations and carried out in the ordinary course of business at arm's length basis and 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 this 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 that 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 Company's shareholders in a general meeting,

whichever is the earlier.

AND 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 the Directors may consider expedient or necessary or in the best interest of the Company to give effect to this resolution.

Ordinary Resolution 7

Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

By a poll of 161,824,538 votes for the Resolution and 1,898,862 votes against the Resolution, it was **RESOLVED**: -

THAT pursuant to Section 85 of the Companies Act 2016 and subject to the Constitution of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental/regulatory authorities, where such approval is required, the Directors be and are hereby empowered to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions, to such persons 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 percent (10%) of the total number of issued shares of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company, AND THAT the Directors be authorised to do all such things as they 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 Securities for the listing of and quotation for the additional shares so issued on Bursa Securities pursuant to this resolution.

10. CLOSURE OF MEETING

There being no other business, the Chairman declared the Meeting closed at 12.00 noon and thanked the shareholders/proxies for their attendance.

CONFIRMED AS A CORRECT RECORD

CHAIRMAN

Dated: 28 November 2024

**ANCOM LOGISTICS
BERHAD**
58TH ANNUAL GENERAL MEETING

Questions raised by
Minority Shareholders Watch Group

OPERATIONAL AND FINANCIAL MATTERS

MSWG Question – Q1

ALB posted a widened net loss in FY2024 with a net loss of RM3.74 million (FY2023: RM385,000), notwithstanding a marginally higher revenue of RM31.4 million during the year.

The loss was primarily caused by the impairment for doubtful debts for other receivables amounting to RM1.9 million (FY2023: RM0.2 million) and higher tax paid in the year.

a) How likely can the Group turn around its financial performance in FY2025? With the new tank farm capacity coming on stream, how will the Group perform financially in FY2025?

b) As of 31 May 2024, capital commitments amounted to RM8.76 million were contracted but not provided for (page 102, Note 23 – Capital Commitments, AR2024).

What is the utilisation of the contracted amount? What are the services to be provided for?

Company's response

The Group's performance in FY2025 will be dependent on the overall industrial chemical industry as we provide the logistical support for the companies in this industry, especially for Pengangkutan Cogent, our trucking business.

We expect the construction of new tank farm to be fully completed by end of November 2024. Once construction is complete, the tank farm will be subject to inspections and approvals from the authorities, such as Bomba, DOSH, Municipal Councils etc, before we are given the Certificate of Completion and Compliance ("CCC"). Only when the CCC we can start commercializing our new tank space.

Therefore, it is likely that new contributions from the new tank farms will only start in end of FY2025 or early FY2026.

The capital commitments of RM8.76 million is mostly for the remaining capex for the constructions of the new tank farm.

OPERATIONAL AND FINANCIAL MATTERS

MSWG Question – Q2

The construction of an additional 10,000 m3 capacity for its tank farm, which commenced in November 2022, is expected to be completed by the end of 2024 (page 13 of AR 2024).

a) How is the progress of construction? Is the targeted completion date intact? When will the Group secure the approval from relevant authorities for the issuance of Certificate of Completion and Compliance?

b) What is the expected revenue to be generated by the new capacity in the first year of operation?

c) With the additional capacity, what will be the total capacity for ALB's tank farm? What is the estimated utilisation rate vis-à-vis current level of utilization?

d) Please share the quantum of offtake secured thus far.

Company's response

As discussed in the earlier question, we expect the construction of new tank farm to be fully completed by end of November 2024 and issuance of the CCC expected in the middle of 2025. However, the timing of CCC issuance is at the prerogative of various authorities.

Once the new 10,000cbm capacity is available, we expect this new space to contribute approximately RM3.0 million additional revenue annually. In the first year of operations, the revenue contribution would be dependent on how fast we can onboard new customers after obtaining CCC.

Our current capacity is 44,100cbm. With the additional 10,000cbm, our capacity would be 54,100cbm. We are quite confident that both the current and new capacity will be fully taken-up.

The capex for this expansion was partially finance with bank borrowings.

OPERATIONAL AND FINANCIAL MATTERS

MSWG Question – Q3

Key Audit Matters (pages 61 – 62, AR2024)

a. Recoverability of deposits

As of 31 May 2024, the gross deposits of the Group and the Company amounted to RM6.6 million and RM6.5 million, respectively, as disclosed in Note 9 to the financial statements (page 62, AR2024). Notably, the Group and the Company have further impaired deposits amounted to RM1.87 million (FY2023: RM171,000) during FY2024 (page 84, AR2024).

i) Under the Trade and Other Receivables (page 84, Note 9, AR2024), deposits of RM4.958 million (FY2023: nil) were categorised as non-current other receivables in FY2024. At the same time, an impairment loss of RM1.509 million (FY2023: nil) was made during the year.

- **Why did the Group impair RM1.509 million of deposits not long after the deposit of RM4.958 million was paid? To whom is the RM4.958 million deposit being paid? What is the nature of the payment? What circumstances led to the non-recoverability of the deposits?**
- **What measures are to be taken to avoid a similar scenario from happening in the future? What is the probability of recovering the deposits in full? Is further provision required in FY2025?**

Company's response

Please see next slide

OPERATIONAL AND FINANCIAL MATTERS

MSWG Question – Q3 (Con't)

Key Audit Matters (pages 61 – 62, AR2024)

a. Recoverability of deposits (Con't)

ii) Referring to MSWG Question 1 raised at the 57th AGM held on 27 October 2023, ALB had received RM3.2 million of the RM10 million refundable deposits, which was paid upon the signing of an Offer to Purchase Agreement with S7 Holdings Sdn Bhd on 1 September 2020 for the acquisition of 76.38% stake of S5 Holdings Inc.

- Has the Group fully recovered the outstanding deposits?
- The refundable deposit of RM10 million was expected to be repaid by 31 December 2022 via four instalments. If S7 fails to refund the deposit in full to ALB by 31 December 2022, ALB is entitled to create an enforceable security interest over the Security Documents and enforce its security created under the Security Documents and charge S7 late interest at the rate of 4% from the day the Refundable Deposit is supposed to be paid till the date it is fully repaid.

(Excerpt from ALB's announcement dated 13 May 2022).

How much late payment interest has the Group received due to the delay in the full refund of deposits from S7?

Company's response

On 23 October 2024, we have initiated legal action against S7 Holdings Sdn Bhd ("S7"). This matter is fixed for case management on 6 November 2024.

As a background, the Company had entered into a Head of Agreement ("HOA") with various parties (including S7) on 16 July 2020 for the acquisition of the entire shares in S5 Holdings Inc ("S5"), as announced by the Company on 16 July 2020. This was part of the reverse take-over exercise ("Proposed RTO") of S5 into the Company.

In the course of the RTO, ALB entered into an Offer to Purchase Agreement ("OPA") with S7 where ALB paid a RM10 million refundable deposit for the acquisition of S5 subject to terms to be mutually agreed and to permit the Company to conduct due diligence on S5 and its subsidiaries ("Refundable Deposit").

As security for the Refundable Deposit, Y.M. Syed Mohammad Hafiz Bin Syed Razlan ("SMH"), the shareholder of S7, had offered as security in favour of ALB, 20 ordinary shares representing 2% of the issued and paid-up capital of S7 ("Pledged Shares"). ALB has the right to sell the Pledged Shares at its absolute discretion and in the event of any deficiency after the sale of the Pledged Shares and SMH agrees to make good and pay on demand to ALB such deficiency.

The Refundable Deposit was to be refunded within 14 days from 15 April 2022, the date which HOA lapsed. Up till to-date, a total sum of RM3.5 million was paid by S7, leaving a balance of RM6.5 million, which is now the subject legal actions initiated on 23 October 2023. No late interest has been received so far on the outstanding amount.

The net carrying value of the Refundable Deposit is RM4.5 million, being RM6.5 million outstanding amount less RM2.0 million provision for impairment, which may require further provision for impairment depending on the outcome of the legal actions.

This was a one-off event which occurred during the aborted RTO exercise of S5.

OPERATIONAL AND FINANCIAL MATTERS

MSWG Question – Q3 (Con't)

Key Audit Matters (pages 61 – 62, AR2024)

b. Recoverability of trade receivables

As of 31 May 2024, gross trade receivables of the Group amounted to RM5.387 million. The Group has further impaired trade receivables amounted to RM134,000 during FY20204 (page 61, AR2024), External auditor BDO PLT determined that this is a key audit matter (KAM) because “it requires management to exercise significant judgment in determining the probability of default by trade receivables and appropriate forward-looking information to assess the expected credit loss allowances”.

The recoverability of trade receivables has persistently been a KAM since FY2017.

What are the areas of concern resulting in the persistent inclusion of this as a KAM since then? How will ALB manage the receivables to mitigate the abovementioned risk?

What is the probability of recovering the trade receivables in full? Is further provision required in FY2025?

Company's response

As at 31 May 2024, trade receivables (Note 9, page 84) amounted to RM4.96 million (2023: RM4.62 million) out of the total current assets of RM14.67 million (2023: RM20.89 million).

The other major current assets of the Group is Cash and Bank Balances of RM4.61 million (2023: RM5.96 million). Since it's cash and bank balance, the risk is insignificant.

The average collection cycle for the trade receivables is 58 days (2023: 55 days) which is within the normal 60 days of credit period generally given to our customers.

The management constantly monitors and assess the recovery of the trade receivables amount. Many of our customers are long term and reputable customers, which we have dealing with them for many years without much issues.

At every year end, we will carry out an assessment on the recoverability and expected credit loss on the trade receivables for impairments. We will carry out the same during the financial year 2025 audit.

OPERATIONAL AND FINANCIAL MATTERS

MSWG Question – Q4

With a sharp increase in total debts to RM15.031 million from RM2.347 million a year ago, ALB's gearing ratio spiked to 0.85 times from 0.11 times previously (page 95, Note 21(a) - Capital Management, AR2024).

Is the significantly higher gearing ratio a concern for the Group? What is the comfortable gearing ratio? If the ideal ratio is lower than the current gearing ratio, how does the Group plan to deleverage?

Company's response

As discussed earlier in Q2, the capex for the expansion of the additional 10,000cbm tank farm was partially financed with bank borrowings. Therefore, the increase in debts during this financial year was mainly due to the drawdown of the bank borrowings for the progress payments.

The additional borrowings are long term in nature, which was used to finance the capex for tank farm.

Currently, the Group generates RM5.3 million (2023: RM5.1 million) net cash flow from operations annually. The Group generates sufficient cash flows from operations to cover the repayment of our bank borrowings, even without the additional revenue source from the new tanks' capacity.

We expect the gearing ratio to gradually reduce over the years with profits generated from our exiting business and also from the new tank capacities.

OPERATIONAL AND FINANCIAL MATTERS

MSWG Question – Q5

On 22 April 2024, ALB entered into a Heads of Agreement with Greenheart Sdn Bhd, Choong Wee Keong and How Yoon For (collectively refer to as the Vendors) regarding a series of corporate exercise entailing a proposed acquisition of Green Lagoon Technology Sdn Bhd (GLTSB) for RM120 million, proposed private placement and proposed disposal (page 104 of AR2024)

At which stage is the discussion between ALB and the Vendors for the proposed acquisition of GLTSB?

Company's response

We are currently at preliminary stages of this exercise. Our principal adviser is TA Securities.

We will be making appropriate announcements as and when we have achieved certain milestones in this exercise.

SUSTAINABILITY MATTERS

MSWG Question – Q1

In its transportation sector, Pengangkutan Cogent Sdn Bhd (Cogent) is progressively updating its fleet, replacing older vehicles with more eco-friendly models that utilise Euro 5-compliant, energy-efficient fuel systems. Cogent also ensures regular maintenance across its entire fleet to maintain optimal performance and efficiency. Additionally, the Group’s drivers are trained not to leave engines running when vehicles are idle, minimising unnecessary emissions and contributing to a cleaner environment (page 22 of AR 2024).

How have these initiatives or actions optimised energy consumption and boosted efficiency in line with the Group’s commitment to environmental responsibility? Kindly illustrate with data comparisons over the years.

Company’s response

	Pengangkutan Cogent		
	FY2022	FY2023	FY2024
Diesel (litres)	1,715,851	1,338,736	1,727,940
Transportation (distance in km)	3,165,704	3,462,307	4,251,677
Fuel efficiency (km/L):	1.84	2.59	2.46

Fuel efficiency improved from 1.84 km/L in FY2022 to 2.59 km/L in FY2023 and 2.46 km/L in FY2024.

In FY2023, the company replaced 3 trucks with Euro 5 units, contributing to improved fuel efficiency.

SUSTAINABILITY MATTERS

MSWG Question – Q2

ALB's Occupational Safety and Health disclosure on page 27 of AR2024 is brief and does not include clear initiatives and key performance indicators such as loss time injury, accidents and fatalities.

How and when does the Company endeavour to improve on its disclosure?

Company's response

The Company recognizes the importance of comprehensive Occupational Safety and Health ("OSH") disclosures and is committed to enhance its reporting in the next cycle.

CORPORATE GOVERNANCE MATTERS

MSWG Question – Q1

Practice 4.4 of the Malaysian Code on Corporate Governance (MCCG) Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

ALB's response:

Applied. The Board conducted a materiality evaluation internally in 2024, that included an assessment of its oversight regarding sustainability risks and opportunities that are vital to the Group's overall performance. Additionally, the performance evaluation for senior management incorporated a detailed review of the Group's progress on its sustainability priorities (page 18 of Corporate Governance Report 2024).

a) What are the KPIs and targets adopted and the achievements made in addressing the Company's material sustainability risks and opportunities?

b) A timeframe of "within 1 year" was mentioned in ALB's explanation of MCCG Practice 4.4. Please explain the reason for setting the one-year timeframe since ALB has already applied the Practice.

Company's response

Following the ANB Group timeline, ALB is actively working to establish a Key Performance Indicator (KPI) for carbon emissions reduction, with a target to be finalized within FY2025.

The one-year timeframe mentioned in ALB's response for Practice 4.4 reflects the company's commitment to aligning its sustainability KPIs with industry standards and internal goals. While ALB has already applied the practice through the performance evaluations of the Board and senior management, the additional year provides an opportunity to refine and formalize these KPIs. This includes setting measurable targets, such as the reduction of carbon emissions, and ensuring that these goals are both ambitious and realistic in addressing the company's material sustainability risks and opportunities.

CORPORATE GOVERNANCE MATTERS

MSWG Question – Q2

ALB said it has applied MCCG Step Up Practice 4.5 which states that there is a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company (page 19, CGR2024).

However, ALB's explanation focused on the sustainability governance and reporting structure of ALB's holding company Ancom Nylex Berhad (ANB).

How do ANB's sustainability initiatives, which encompassed a diversified business activity aligned with ALB's businesses and operations?

Company's response

ANB Group, in which ALB and its subsidiaries are part of, has drawn up a comprehensive sustainable initiatives covering all the companies with ANB Group. The initiatives at ANB Group level is still evolving as we seek to expand and improve on our ESG framework.

The core business of ANB Group are in the Agrichemicals and Industrial Chemicals industries. ALB, which is in the chemical storage and transportation businesses, are integral part of ANB Group's business, especially in the Industrial Chemicals business.

Therefore, in establishing the sustainability initiatives of ANB Group as a whole, it is important that ALB's initiatives are also planned together to achieve a comprehensive framework.

CORPORATE GOVERNANCE MATTERS

MSWG Question – Q3

ALB departed from MCCG Practice 5.9 as there is only one woman director on board or 14.3% of total board.

The Board has set a two-year timeframe to adopt the Practice (page 30 of CGR 2024).

a) What are the challenges/issues faced by the Company in sourcing for women directors?

b) What benefits has the board experienced from the appointment of Datin Joanne Marie Lopez since 30 May 2023? How has the board's performance been impacted in relation to these benefits?

Company's response

The appointment of Datin Joanne Marie Lopez, who is an economist and experienced fund manager, has brought diversity in ideas, viewpoints, and problem-solving approaches in the Board's discussion and decision making.

With her appointment, the Board is taking steps to achieving the MCCG's Practice 5.9 in appointing at least 30% of women Directors on the Board within a 2-year time frame. Her appointment also demonstrated the Company's alignment with social responsibility principles, enhancing the Company's reputation among stakeholders, customers, investors, and employees which may indirectly influences the Company's future financial performance.