



**MINORITY SHAREHOLDERS WATCH GROUP**  
Shareholder Activism and Protection of Minority Interest

9 October 2023

**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: 57<sup>th</sup> Annual General Meeting (“AGM”) of Ancom Logistics Berhad (“ANCOMLB”  
or the “Company”) to be held on Friday, 27 October 2023**

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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. Responding to MSWG's question no.2 raised at the 56th AGM of the Company last year, the Company clarified that following the expiry of the Heads of Agreement with S7 Holdings Sdn Bhd, Merrinton Assets Limited, MY E.G. Capital Sdn Bhd and Avocat Sdn Bhd, the Company had received RM2m out of the total refundable deposit of RM10m. Also, S7 Holdings Sdn Bhd had agreed to a scheduled repayment of the balance outstanding deposit by May 2023. Has the Company received the full refund for balance outstanding deposit? If not, please explain the reasons for the delay in full refund.
2. The Group is adding 10,000cbm of capacity to its tank farm, and the additional capacity is targeted to be ready for operations by June 2024.
  - a) What is the capacity of the existing tank farm?
  - b) What is the utilisation rate for the existing tank farm in FY2023?

**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

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

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- c) Has the Group secured clients for the rental of storage for the additional 10,000cbm?
3. The Group will continue with the vehicle replacement program of its trucking business.
- a) What is the current fleet size and what was the average utilisation rate for FY2023?
- b) How many trucks are to be replaced in FY2024, and what is the allocated budget for the replacement?

### **Sustainability and Corporate Governance Matters**

4. **Practice 5.3 Malaysian Code on Corporate Governance 2021**- The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director. If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

**ANCOMLB' response:** Applied. None of the Independent Directors has tenure exceeding a cumulative term of 9 years. (Page 24 of Corporate Governance Report 2023)

**MSWG's comment:** Dato' Abdul Latif bin Abdullah was appointed as the Independent Non-Executive Chairman of ANCOMLB on 15 August 2014 and his tenure as an independent director has exceeded a cumulative term limit of nine years. No resolution is tabled at the 57<sup>th</sup> AGM of the Company to seek shareholders' approval to allow the continuation of Dato' Abdul Latif bin Abdullah as an independent director of the Company. Please clarify whether Dato' Abdul Latif bin Abdullah will be redesignated as a non-independent director?

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.

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Yours sincerely



**Devanesan Evanson**  
Chief Executive Officer  
DE/OBH/ANCOMLB/AGM2023

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