

ANCOM LOGISTICS BERHAD
Registration No.: 196601000150(6144-W)
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE 55TH ANNUAL GENERAL MEETING OF THE COMPANY (“55TH AGM”) ON TUESDAY, 26 OCTOBER 2021 AT 12.00 P.M.

The Chairman informed the meeting that the Company has received a letter from the Minority Shareholders Watch Group (“MSWG”) dated 13 October 2021 with questions. The MSWG has requested the Company to present the questions raised by MSWG and the answers by the Company at the 55th AGM.

Please refer to the Company’s website at www.ancomlogistics.com.my under the Investor Relations section for a copy of the letter from MSWG and the Company’s reply thereon.

The following questions were posed by the shareholders during the 55th AGM of the Company:-

Q1 : Why are the directors selling shares in open market?

A1 : The directors sold their shares in the Company which they received as share dividend from Ancom Berhad (“Ancom”). The reason of selling off the shares is was mainly due to the good market price for the directors to realise the value of the shares.

Q2 : The Company has been performing poorly and the major shareholders are selling down, what are the prospects and new initiatives that the Board has taken to improve the growth and profitability of the Company going forward?

A2 : The restructuring exercise which involves the proposed acquisition of S5 Holdings Inc is still in progress. The Board have already given approval to construct more tank capacity to expand the tank rental business.

Oher than these, the Board is actively looking at new projects to improve the growth and profitability of the Company, going forward.

The Company shall update the shareholders when there is any new development in regards to the above.

Q3 : How much does the Company spend on this virtual AGM?

A3 : Virtual meetings cost the Company around RM80,000 as compared to physical meetings conducted from previous years which cost around RM110,000.

Q4 : What is the prospect of the Company’s logistics business?

A4 : The tank rental business has been doing well despite the pandemic as the tanks are almost fully rented out for both contract and due to spot sales. However, the trucking business was badly affected due to the Movement Control Order restrictions which resulted in lower volume for deliveries.

As of now, both businesses are back in full operation and expected to achieve positive results moving forward.

Q5 : Why are the Company’s shares so low?

A5 : The share price is determined by market forces taking into account of the supply and demand factors. The share price of the Company shares is fair as the net tangible asset per share of the Company is RM0.05 per share.

Prepared by
STEPHEN GEH SIM WHYE
Joint Company Secretary