

ANCOM BERHAD
196901000122 (8440-M)
(Incorporated in Malaysia)

MINUTES OF THE 52ND ANNUAL GENERAL MEETING (“AGM”) OF ANCOM BERHAD (“ANCOM” OR “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, MALAYSIA ON TUESDAY, 26 OCTOBER 2021 AT 2.30 P.M.

Present at : Dato’ Siew Ka Wei – Chairman
Broadcast Venue : Datuk Dr Abd Hapiz Bin Abdullah – Director
: Lee Cheun Wei – Group Chief Executive Officer (“Group CEO”)
: Lim Chang Meng – Chief Financial Officer (“CFO”)
: Choo Se Eng – Company Secretary

Present via video conferencing : Tan Sri Dato’ Dr Lin See Yan – Director
: Tan Sri Dato’ Seri Abdull Hamid Bin Embong – Director
: Edmond Cheah Swee Leng – Director
: Lim Hock Chye – Director
: Chan Thye Seng – Director
: Lum Chiew Mun } Representatives from BDO PLT, the External
: Pang Zhi Hao } Auditors
: Samson }
: George Chong – Representative from Chong, Ng & Yap, the Solicitors

The attendance of shareholders/corporate representatives/proxies who attended the 52nd AGM remotely via the remote participation and voting (“RPV”) facilities was as per the Summary of Attendance List.

1. PRELIMINARY

The Chairman, Dato’ Siew Ka Wei, welcomed all shareholders, proxies and invitees who participated in the meeting.

He then introduced the Board members, Group CEO, CFO, Company Secretary, the representatives from BDO PLT (the External Auditors) and the representative from Chong, Ng & Yap (the Solicitors) to the attendees.

2. NOTICE

The notice of the 52nd AGM dated 30 September 2021 (“the Notice”), having been circulated to all the shareholders within the prescribed period, was taken as read.

3. QUORUM

The Chairman informed that for a virtual general meeting, the quorum would be determined by the number of shareholders and proxies who logged in at the commencement of the meeting.

There being a quorum, the Chairman called the meeting to order.

4. POLLING PROCEDURES AND ADMINISTRATIVE MATTERS

The Chairman informed that pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice must be voted by poll. The Company was also required to appoint at least one (1) independent scrutineer to validate the votes cast at the general meeting.

The Chairman further informed that the Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") as Poll Administrator to facilitate the poll voting process. The Company has also appointed Asia Securities Sdn. Berhad as Independent Scrutineer to verify the poll results.

The guide on the remote voting procedures and the manner to pose questions at the meeting through the RPV application were presented to the shareholders and proxies.

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2021 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Audited Financial Statements for the financial year ended 31 May 2021, together with the Reports of the Directors and Auditors thereon ("AFS FY2021"), were tabled to the meeting for discussion.

The Chairman informed that the AFS FY2021 were meant for discussion only as the Companies Act 2016 does not require a formal approval of the shareholders. Hence, it was not put forward for voting.

The Chairman further informed that the Board would address the questions raised by the shareholders or proxies at the Question-and-Answer Session, which would be carried out after the conclusion of agenda of the meeting.

The Chairman declared that the AFS FY2021 were duly tabled and received by the shareholders.

Thereafter, the Chairman went through each of the motions set out in the Notice.

The Chairman also informed that the Company had not received 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.

6. QUESTION-AND-ANSWER SESSION

The Chairman informed that the Company had received some questions from the Minority Shareholders Watch Group ("MSWG") via their letter dated 20 October 2021. The letter from MSWG and the Company's responses would be uploaded to the Company's website after the meeting.

The Group CEO presented the Company's responses to the queries raised by MSWG for the interest of all shareholders, details of which are annexed herein as **Appendix A**.

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

- (1) **When will the production of new molecules start? How many new molecules are in the pipeline?**

[Question posed by Teh Kian Lang]

Ancom's response:

Currently, Ancom's Agricultural Chemicals Division has a total of 4 active ingredients ("AI"), which are also called molecules. The Group is looking to increase its AI production from 4 to 9, with 5 additional molecules in the next 3 years. Out of the 5 additional molecules, 2 will be added into the Group's product portfolio in the financial year ending 31 May 2022 and the remaining 3 will be added into the production progressively throughout the years 2023 and 2024.

- (2) **Is there any possibility of dividend payment, going forward?**

[Question posed by Teh Kian Lang]

Ancom's response:

The Group has been focusing on cost reduction plans in the past 3 years. As of 31 May 2021, the Group has recorded an improved financial performance with a healthier gearing ratio of 0.55 times compared to 0.74 times as of 31 May 2020.

In addition, the Group has invested in capital expenditure to build new capabilities and capacities for long-term growth to strengthen the future cash flow. As mentioned earlier, the Group expects to double up its AI portfolio under the Agricultural Chemicals Division in the next 3 years. The new factory space of 70,000 square feet in Klang, which is expected to be completed by March 2022, will be used for the production of new molecules, to cater to the increasing regional and global demand for AI.

In order to complement the development of the Industrial Chemicals Division, the Group's Logistics Division intends to add a new 10,000-cubic metre storage tank at Westport terminal from the current 44,100 cubic metres, providing intra-group logistics support and offering bulk cargo services to customers.

As the Group sees the opportunities to strengthen its financial performance, going forward, the Group will maintain its focus on cost reduction and conserve cash flow for capital investments for future business growth in the next 2 years.

- (3) **What is the business outlook for the next 6 months and strategy for the next 12 months?**

[Question posed by Teh Kian Lang]

Ancom's response:

The Group expects the Agricultural Chemicals Division to achieve better performance in the next 6 months in tandem with the higher demand for food supplies, which will eventually increase the demand in crop protection products in the plantation sector. The Group also expects the financial performance of Industrial Chemicals Division to improve for the financial year 2022, following the increase in commodity prices as well as the recovery of the demand for industrial chemical-related products.

The Group will continue to cautiously monitor and rationalise its cost structure to improve cost efficiencies, given that the impact of the Covid-19 pandemic remains ongoing. As for strategy, going forward, the Group will continue to strengthen the capability of the Agricultural Chemicals Division and Industrial Chemicals Division, by focusing on its core competencies so as to achieve better profitability.

- (4) **How much does the Company spend on the virtual AGM?**
[Question posed by Teh Peng Tin]

Ancom's response:

The cost for the virtual AGM is approximately RM40,000.

7. POLL VOTING SESSION

After all the questions raised had been dealt with, the Chairman invited the shareholders and proxies to cast their votes remotely.

Upon the closing of the voting session, the meeting was adjourned at 3.00 p.m. to facilitate the counting of votes by the Poll Administrator and verification of the poll results by the Independent Scrutineer.

8. ANNOUNCEMENT OF POLL RESULTS

The meeting resumed at 3.05 p.m. after obtaining the poll results from the Independent Scrutineer. The poll result was presented to the meeting. The Chairman declared that all resolutions set out in the Notice were duly passed by the shareholders and proxies of the Company, as follows:-

ORDINARY RESOLUTION 1

RE-ELECTION OF DIRECTOR – TAN SRI DATO' SERI ABDULL HAMID BIN EMBONG

By a vote of 133,428,597 shares (representing 99.9932%) voted for and 9,118 shares (representing 0.0068%) voted against the Resolution, it was **RESOLVED:-**

THAT Tan Sri Dato' Seri Abdull Hamid Bin Embong, who retired pursuant to Clause 125 of the Constitution of the Company, be and is hereby re-elected as Director of the Company.

ORDINARY RESOLUTION 2

RE-ELECTION OF DIRECTOR – CHAN THYE SENG

By a vote of 133,434,598 shares (representing 99.9977%) voted for and 3,115 shares (representing 0.0023%) voted against the Resolution, it was **RESOLVED:-**

THAT Chan Thye Seng, who retired pursuant to Clause 125 of the Constitution of the Company, be and is hereby re-elected as Director of the Company.

ORDINARY RESOLUTION 3

PAYMENT OF NON-EXECUTIVE DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 31 MAY 2021

By a vote of 133,368,853 shares (representing 99.9485%) voted for and 68,741 shares (representing 0.0515%) voted against the Resolution, it was **RESOLVED:-**

THAT the payment of Non-Executive Directors' fees for the Company and the Group for the financial year ended 31 May 2021 amounting to RM427,500 and RM778,645 respectively be and is hereby approved.

ORDINARY RESOLUTION 4
PAYMENT OF DIRECTORS' BENEFITS (EXCLUDING NON-EXECUTIVE DIRECTORS' FEES) OF UP TO RM120,000 FROM THE DATE OF THE AGM UNTIL THE NEXT AGM OF THE COMPANY

By a vote of 133,363,157 shares (representing 99.9484%) voted for and 68,851 shares (representing 0.0516%) voted against the Resolution, it was **RESOLVED**:-

THAT the payment of Directors' benefits (excluding Non-Executive Directors' fees) for the Non-Executive Director of up to RM120,000 from the date of the AGM until the next AGM of the Company be and is hereby approved.

ORDINARY RESOLUTION 5
RE-APPOINTMENT OF AUDITORS

By a vote of 133,434,713 shares (representing 99.9978%) voted for and 3,000 shares (representing 0.0022%) voted against the Resolution, it was **RESOLVED**:-

THAT BDO PLT be and are hereby re-appointed as Auditors of the Company for the ensuing year AND THAT the Board of Directors be authorised to fix their remuneration.

ORDINARY RESOLUTION 6
PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS ("RRPTs") OF A REVENUE OR TRADING NATURE

By a vote of 84,307,022 shares (representing 99.9974%) voted for and 2,222 shares (representing 0.0026%) voted against the Resolution, it was **RESOLVED**:-

THAT subject always to the Main 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 2.2 of the Circular to Shareholders dated 30 September 2021, 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 ("AGM") 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 AGM 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 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
PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK MANDATE

By a vote of 133,429,490 shares (representing 99.9938%) voted for and 8,223 shares (representing 0.0062%) voted against the Resolution, it was **RESOLVED**:-

THAT subject always to the Companies Act 2016 (“Act”), the Constitution of the Company, the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given for the Company to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company (“Share Buy-Back Mandate”) provided that:

- (i) the aggregate number of ordinary shares in the Company purchased and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time;
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase; and
- (iii) the Directors of the Company may decide either to retain the shares so purchased as treasury shares or cancel the shares so purchased or retain part of the shares so purchased and cancel the remainder or resell the treasury shares on Bursa Securities or distribute the treasury shares as dividends or transfer the treasury shares under an employees’ share scheme or as purchase consideration or otherwise use the treasury shares for such other purpose in the manner as prescribed by the applicable laws, guidelines, rules and regulations.

THAT the authority conferred by this resolution will be effective upon the passing of this resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time it shall lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- (c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and all other applicable laws, guidelines, rules and regulations issued by any relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps to implement, finalise and give full effect to the Share Buy-Back Mandate with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as the Directors deem fit and expedient at their discretion in the best interest of the Company.

ORDINARY RESOLUTION 8
PROPOSED AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO
SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

By a vote of 133,434,352 shares (representing 99.9975%) voted for and 3,361 shares (representing 0.0025%) voted against the Resolution, it was **RESOLVED**:-

THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (“Act”), the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding twelve (12) months does not exceed twenty percent (20%) of the total number of the issued shares (excluding any treasury shares) of the Company for the time being (“Proposed 20% General Mandate”)

THAT such approval for the Proposed 20% General Mandate shall continue to be in force until 31 December 2021.

THAT with effect from 1 January 2022, the general mandate shall be reinstated from a twenty percent (20%) limit to a ten percent (10%) limit pursuant to Paragraph 6.03 of the Listing Requirements of Bursa Securities provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer by the Company from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding twelve (12) months does not exceed ten percent (10%) of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed 10% General Mandate”).

THAT such approval for the Proposed 10% General Mandate shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time it shall lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever is the earlier.

(The Proposed 20% General Mandate and Proposed 10% General Mandate shall hereinafter referred to as “Proposed General Mandate”.)

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as the Directors deem fit and expedient in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including executing such documents as may be required), deeds and things in relation to the Proposed General Mandate.

ORDINARY RESOLUTION 9

PROPOSED CONTINUATION IN OFFICE AS INDEPENDENT DIRECTOR – TAN SRI DATO' DR LIN HAI MOH @ LIN SEE YAN

By a vote of 133,438,025 shares (representing 99.9975%) voted for and 3,325 shares (representing 0.0025%) voted against the Resolution, it was **RESOLVED:-**

THAT approval be and is hereby given to Tan Sri Dato' Dr Lin See Yan, who has served as Independent Director of the Company for a cumulative term of more than twelve (12) years, to continue to serve as Independent Director of the Company until the conclusion of the next annual general meeting.

ORDINARY RESOLUTION 10

PROPOSED CONTINUATION IN OFFICE AS INDEPENDENT DIRECTOR – EDMOND CHEAH SWEE LENG

By a vote of 133,434,388 shares (representing 99.9975%) voted for and 3,325 shares (representing 0.0025%) voted against the Resolution, it was **RESOLVED:-**

THAT approval be and is hereby given to Edmond Cheah Swee Leng, who has served as Independent Director of the Company for a cumulative term of more than twelve (12) years, to continue to serve as Independent Director of the Company until the conclusion of the next annual general meeting.

9. CLOSURE OF MEETING

There being no further business, the Meeting concluded at 3.20 p.m. with a vote of thanks to the Chair.

CONFIRMED AS A CORRECT RECORD

CHAIRMAN

Dated: 24 November 2021