

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

MINUTES OF THE 54TH ANNUAL GENERAL MEETING (“AGM”) OF ANCOM NYLEX BERHAD (“ANB” 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 FRIDAY, 27 OCTOBER 2023 AT 3.00 P.M.

Present at	:	Dato’ Siew Ka Wei – Executive Chairman
Broadcast Venue	:	Lee Cheun Wei – Managing Director/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’ Seri Abdull Hamid Bin Embong – Independent Non-Executive Director
	:	Datuk Dr. Abd Hapiz Bin Abdullah – Independent Non-Executive Director
	:	Maliki Kamal Bin Mohd Yasin – Independent Non-Executive Director
	:	Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun – Independent Non-Executive Director
	:	Christina Foo – Independent Non-Executive Director
	:	Chan Thye Seng – Non-Independent Non-Executive Director
	:	Rajeesh A/L Balasubramaniam
	:	Samuel Low Kok Sian
		} Representatives from BDO PLT, the External Auditors of the Company

The shareholders/corporate representatives/proxies who attended the 54th AGM remotely via the remote participation and voting (“RPV”) facilities are as stated in the Attendance List.

1. PRELIMINARY

The Chairman, Dato’ Siew Ka Wei, welcomed all shareholders, proxies and invitees present at the 54th AGM.

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

2. NOTICE

The notice of the 54th AGM dated 27 September 2023 (“AGM Notice”), having been circulated to all the shareholders within the prescribed period, was taken as read.

3. QUORUM

The Chairman informed that the quorum for a virtual general meeting is determined by the number of shareholders and proxies who log in at the commencement of the meeting. Pursuant to the Company’s Constitution, two (2) shareholders or by proxy or by representative present at the general meeting constitute a quorum.

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 of general meeting must be voted by poll. The Company is 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. (the Company's Share Registrar) as Poll Administrator to facilitate the poll voting process, and Asia Securities Sdn. Berhad as Independent Scrutineer to verify the poll results.

The guide on the remote voting procedure 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 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Audited Financial Statements for the financial year ended 31 May 2023, together with the Reports of the Directors and Auditors thereon ("AFS FY2023"), were tabled to the meeting for discussion.

The Chairman informed that the AFS FY2023 were meant for discussion only as the Companies Act 2016 does not require a formal approval of 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 during the Question-and-Answer ("Q&A") Session, which would be carried out after all items on the agenda were dealt with.

Accordingly, the Chairman declared that the AFS FY2023 were duly received by the shareholders.

6. ORDINARY RESOLUTIONS 1 TO 9 AND SPECIAL RESOLUTION

The Chairman then went through each of the motions that were included in the AGM Notice.

On item 2 of the agenda in relation to the motions for re-election of Directors, the Chairman informed that Mr Chan Thye Seng, who was also due for retirement by rotation in accordance with Clause 125 of the Company's Constitution, had expressed his intention not to seek re-election as Director of the Company. Hence, Mr Chan Thye Seng would retain office until the conclusion of the 54th AGM.

On behalf of the Board, the Chairman thanked Mr Chan Thye Seng for his dedication and contribution to the Company throughout his tenure as Non-Independent Non-Executive Director of the Company.

The Chairman informed that the Company had not received any notice from shareholders for other business to be transacted at the meeting in accordance with the Constitution of the Company and the Companies Act 2016.

7. Q&A SESSION

The meeting continued with the Q&A session. The Chairman informed that the Company had received some questions from the Minority Shareholders Watch Group (“MSWG”) via their letter dated 18 October 2023. The Group CEO presented the Company’s responses to the questions raised by MSWG.

After the presentation by the Group CEO, the Chairman informed that the letter from MSWG and the Company’s responses will be made available on the Company’s website after the meeting.

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

(Q1) The Group’s effective percentage rate of tax in FY2023 dropped to 20% from 63% in FY2022 (refer to Page 3 of Annual Report). What factor(s) contributed to the drop?

ANB’s response:

The Group has a lower percentage rate of tax in FY2023 as a result of more effective tax planning following the internal restructuring exercise, whereby the profits of one subsidiary can be used to offset the losses of another, thereby reducing tax liability. The higher tax rate of 63% in FY2022 was mainly attributable to the one-off impact of tax computation reclassification, taking into account the merger exercise that took place in the previous financial year.

(Q2) Why is the Company acquiring more and more of its own shares from the open market?

ANB’s response:

As explained in the reply to the MSWG’s questions, share buyback is carried out when Management believe that the share price does not reflect its full potential value. Management will continue to monitor the need for share buyback, taking into consideration factors such as the Company’s share price, potential future profits, and financial position.

(Q3) Why is the performance of the industrial chemical sector declining? What is the overall growth and profitability outlook, moving forward?

ANB’s response:

Many companies in the industrial chemical sector have reported lower results compared to the pre-pandemic period, owing to the lower commodity prices and decreased volume that have not recovered to pre-pandemic levels.

Nonetheless, the Group remains cautiously optimistic about the Company’s future growth in the agrichemical business and market opportunities. As highlighted in the Management Discussion and Analysis contained in the Company’s Annual Report 2023, the development of a new active ingredient (“AI”), which will increase the Group’s product range from 6 to 7 AIs, has been progressing well for commercial production by December 2023.

While the Group’s earnings continue to be impacted by the adverse market conditions, geopolitical tensions and the El Nino phenomena, the increased demand for agrichemical products in the Brazil and US markets will offset the impact. As such, the Group remains optimistic on the market prospects.

(Q4) How much does the Company spend on this virtual AGM?

ANB's response:

The cost for the virtual AGM is approximately RM70,000.

(Q5) Request for the physical copy of Annual Report 2023.

ANB's response:

Shareholders may obtain the printed copy of the Company's Annual Report from Tricor Investor & Issuing House Services Sdn. Bhd., the share registrar.

(Q6) Request for e-voucher/door gift to participating shareholders as token of appreciation.

ANB's response:

The Group recognises the importance of the attendees' health and safety, and will give away organic and eco-friendly products made by the Group, such as mosquito repellent and health supplements, to the shareholders who attended the 54th AGM or has appointed proxy(ies) to attend the 54th AGM as a gesture of appreciation for their support.

8. POLL VOTING SESSION

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

Thereafter, the meeting was adjourned at 3.35 p.m. for the tabulation of the poll results.

9. ANNOUNCEMENT OF POLL RESULTS

The meeting resumed at 4.04 p.m. after obtaining the validated poll results from the Independent Scrutineer. The results of the poll were presented to the meeting and the Chairman declared all resolutions set out in the AGM Notice carried, as follows:-

Ordinary Resolution 1

Re-election of Director – Tan Sri Dato' Seri Abdull Hamid Bin Embong

By a vote of 300,776,114 shares (representing 86.7774%) voted FOR and 45,830,578 shares (representing 13.2226%) 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 – Datuk Dr. Abd Hapiz Bin Abdullah

By a vote of 341,958,489 shares (representing 98.6589%) voted FOR and 4,648,203 shares (representing 1.3411%) voted AGAINST the Resolution, it was **RESOLVED**:-

THAT Datuk Dr. Abd Hapiz Bin Abdullah, 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 2023

By a vote of 388,740,046 shares (representing 99.9922%) voted FOR and 30,218 shares (representing 0.0078%) voted AGAINST the Resolution, it was **RESOLVED**:-

THAT the payment of Non-Executive Directors' fees by the Company and by the Group for the financial year ended 31 May 2023 amounting to RM615,534 and RM1,043,589 respectively be and is hereby approved.

Ordinary Resolution 4

Payment of Non-Executive Directors' Fees for the financial year ending 31 May 2024, to be paid quarterly in arrears

By a vote of 388,725,996 shares (representing 99.9878%) voted FOR and 47,268 shares (representing 0.0122%) voted AGAINST the Resolution, it was **RESOLVED**:-

THAT the payment of Non-Executive Directors' fees by the Company and by the Group of up to RM800,000 and RM1,100,000 respectively for the financial year ending 31 May 2024, to be paid quarterly in arrears, be and is hereby approved.

Ordinary Resolution 5

Payment of Directors' Benefits to Non-Executive Directors

By a vote of 388,700,168 shares (representing 99.9820%) voted FOR and 70,096 shares (representing 0.0180%) voted AGAINST the Resolution, it was **RESOLVED**:-

THAT the payment of Directors' benefits to the Non-Executive Directors of up to RM120,000 from the date of the 54th AGM until the next annual general meeting of the Company be and is hereby approved.

Ordinary Resolution 6

Re-appointment of Auditors

By a vote of 388,753,030 shares (representing 99.9948%) voted FOR and 20,252 shares (representing 0.0052%) voted AGAINST the Resolution, it was **RESOLVED**:-

THAT BDO PLT be hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company AND THAT the Directors be authorised to fix their remuneration.

Ordinary Resolution 7

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

By a vote of 255,832,083 shares (representing 99.9930%) voted FOR and 17,999 shares (representing 0.0070%) voted AGAINST the Resolution, it was **RESOLVED**:-

THAT subject always to the Main 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 RRPTs of a revenue or trading nature with the related parties as specified in Section 2.2 of the Circular to Shareholders dated 27 September 2023, 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 of the Company 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 the Directors may consider expedient or necessary or in the best interest of the Company to give effect to this resolution.

Ordinary Resolution 8
Proposed Renewal of Shareholders' Mandate for Share Buy-Back

By a vote of 386,670,971 shares (representing 99.4565%) voted FOR and 2,113,232 shares (representing 0.5435%) voted AGAINST the Resolution, it was **RESOLVED**:-

THAT subject 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 the Share Buy-Back Mandate 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 ordinary shares so purchased as treasury shares or cancel the ordinary shares so purchased or retain part of the ordinary 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:

- (i) the conclusion of the next annual general meeting 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 annual general meeting 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 Company's 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 9
Proposed Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

By a vote of 367,032,480 shares (representing 94.4078%) voted FOR and 21,740,812 shares (representing 5.5922%) voted AGAINST the Resolution, it was **RESOLVED**:-

THAT contingent upon the passing of the Special Resolution on Waiver of Pre-Emptive Rights pursuant to Section 85 of the Companies Act 2016 ("Act") and subject to the Constitution of the Company, the Main 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 authorised, pursuant to Sections 75 and 76 of the Act, 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 pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares (excluding treasury 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.

Special Resolution:
Proposed Waiver of Pre-emptive Rights pursuant to Section 85 of the Companies Act 2016

By a vote of 388,733,385 shares (representing 99.9897%) voted for and 39,907 shares (representing 0.0103%) voted against the Resolution, it was **RESOLVED**:-

THAT pursuant to Section 85 of the Companies Act 2016 read together with Clause 15 of the Constitution of the Company, approval be and is hereby given for the waiver of the statutory pre-emptive rights of the shareholders of the Company to be offered new shares in the Company ranking equally to the existing issued shares in the Company arising from any issuance of new shares in the Company to the allottees subject to the passing of Ordinary Resolution 9 – Proposed Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016.

10. CLOSURE OF MEETING

There being no further business, the meeting concluded at 4.05 p.m. with a vote of thanks to the Chair.

CONFIRMED AS A CORRECT RECORD

CHAIRMAN

Dated: 15 November 2023