

**TASCO BERHAD**  
**Registration No. 197401003124 (20218-T)**  
(Incorporated in Malaysia)

Minutes of the Forty-Ninth Annual General Meeting of the Company held on a virtual basis at a venue in Malaysia where the Chairman of the meeting is present through live streaming and online remote voting via Remote Participation and Electronic Voting (“RPEV”) facilities provided by SS E Solutions Sdn. Bhd. via Securities Services e-Portal’s platform at <https://sshshb.net.my/> on Thursday, 5 September 2024 at 3.00 p.m.

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**PRESENT**

Mr. Lee Check Poh (Chairman)	Executive Chairman
Mr. Lee Wan Kai	Group Chief Executive Officer
Mr. Tan Kim Yong	Deputy Chief Executive Officer
Mr. Norihiko Yamada	Executive Director
Mr. Lim Jew Kiat	Executive Director
Datuk Dr Wong Lai Sum	Independent Director
Mr. Ong Heng Kah	Independent Director
Mr. David Dev Peter	Independent Director

Members and Proxies logged-in to participate online at <https://sshshb.net.my/>

**IN ATTENDANCE**

Seow Fei San (Secretary)

**NOTICE**

The notice convening the meeting was tabled and taken as read.

**INTRODUCTION OF BOARD MEMBERS**

The Board members present and participated remotely were introduced to the members.

**QUORUM**

The requisite quorum being present, the Chairman called the meeting to order.

The Meeting was informed that ordinary resolutions 1 to 8 tabled at this 49th AGM required a simple majority vote of the members who were present and entitled to vote in person or by proxy, and voting.

The Chairman informed the members that with the remote participation and voting facilities, members could exercise their right as a member or proxy of the Company to pose questions to him or the Board of Directors of the Company and vote remotely at the AGM from their location.

The Chairman also informed that he would first take the members through the items on the agenda, thereafter, the Board would respond to the questions transmitted by members and proxies during this meeting. The Chairman also informed that there were some questions received from the Minority Shareholders Watch Group (“MSWG”) which would be addressed during the Q&A session. The members and proxies could rely on real time submission of typed texts to exercise their rights to speak or communicate in a virtual meeting and the Board would via the broadcast announce the question(s) and then answer the question(s) accordingly.

The Meeting was then informed that the Company had appointed SS E Solutions Sdn. Bhd. (“SS”) as the poll administrator and Mr. Leonard Lim Weng Leong as independent scrutineer to verify the poll results at today’s AGM.

To facilitate the remote voting via Securities Services e-Portal, the Chairman invited SS to share a short audio on the voting procedure and how to raise questions at the meeting through the online meeting platform, e-Portal and informed that sufficient time would be allocated for members to cast their votes after dealing with the business of today’s meeting.

After the briefing by SS, the Chairman then invited Mr. Tan Kim Yong (“Mr. KY Tan”), the Deputy Group Chief Executive Officer, to present a short briefing/presentation of the Company’s background, financial performance and achievements to the members.

After Mr. KY Tan’s presentation, the Chairman proceeded with the first agenda item of the meeting.

## **1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

The Audited Financial Statements and Reports of the Directors and Auditors for the financial year ended 31 March 2024 having been circulated to all the members of the Company within the prescribed period were tabled to the meeting and would not be put to vote.

The Chairman informed that should any of the members have any question on the agenda item, members could use the text box provided on the online platform to transmit their questions. Responses would be provided to questions submitted during the Q&A session after tabling all the resolutions.

The Chairman then declared that the Audited Financial Statements for the financial year ended 31 March 2024 together with the Reports of the Directors and Auditors thereon were received and noted.

**2. PAYMENT OF DIRECTORS FEES FOR THE PERIOD FROM 6 SEPTEMBER 2024 UNTIL THE NEXT ANNUAL GENERAL MEETING**

The Meeting proceeded to consider the proposed Ordinary Resolution 1 on the payment of Directors' fees of up to RM350,000 for the period from 6 September 2024 until the next annual general meeting for their services as directors of the Company.

The Meeting was informed that the Directors who had interest in this resolution and were members of the Company would abstain from voting for this resolution.

The following motion was then put to the members, to be voted by poll after the Q&A session:-

*"THAT approval be and is hereby given for the payment of Directors' fees of up to RM350,000 for the period from 6 September 2024 until the next annual general meeting for their services as directors of the Company."*

**3. PAYMENT OF DIRECTORS' BENEFITS FROM 6 SEPTEMBER 2024 UNTIL THE NEXT ANNUAL GENERAL MEETING**

The Meeting proceeded to consider the proposed Ordinary Resolution 2 on payment of Directors' benefits (excluding Directors' fees) of up to RM30,000 from 6 September 2024 until the next AGM of the Company.

The interested directors shall abstain from voting.

The following motion was then put to the members, to be voted by poll after the Q&A session:-

*"THAT authority be and is hereby given for the payment of Directors' benefits (excluding Directors' fees) of up to RM30,000 to Non-Executive Directors of the Company with effect from 6 September 2024 until the next annual general meeting of the Company."*

**4. RE-ELECTION OF DIRECTORS**

The Meeting was informed that the following Directors were retiring in accordance with Clause 79 of the Company's Constitution and being eligible, had accordingly offered themselves for re-election:-

- a. Mr. Lee Check Poh
- b. Mr. Lim Jiew Kiat
- c. Datuk Dr. Wong Lai Sum

The following motions were put to the members, to be voted by poll after the Q&A session:-

**Ordinary Resolution 3**  
**Re-election of Mr. Lee Check Poh**

*“THAT Mr. Lee Check Poh retiring pursuant to Clause 79 of the Company’s Constitution, be and is hereby re-elected as Director of the Company.”*

**Ordinary Resolution 4**  
**Re-election of Mr. Lim Jiew Kiat**

*“THAT Mr. Lim Jiew Kiat retiring pursuant to Clause 79 of the Company’s Constitution, be and is hereby re-elected as Director of the Company.”*

**Ordinary Resolution 5**  
**Re-election of Datuk Dr. Wong Lai Sum**

*“THAT Mr. Datuk Dr. Wong Lai Sum retiring pursuant to Clause 79 of the Company’s Constitution, be and is hereby re-elected as Director of the Company.”*

**5. APPOINTMENT OF AUDITORS**

The following Ordinary Resolution 6 on appointment of auditors was put to the Meeting for consideration and vote after the Q&A session:

*“THAT RSM Malaysia PLT be and are hereby re-appointed as auditors of the Company to hold office until the conclusion of the next annual general meeting and that the Directors be and are hereby authorised to determine their remuneration.”*

**6. RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The Meeting proceeded to consider Ordinary Resolution on the Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as set out in Section 2.3.2 of the Circular to Shareholders.

The Chairman also informed that the Interested Directors and persons connected to the Interested Director would abstain from voting on Ordinary Resolution 8.

With the permission of the Meeting, the Chairman then declared that the Ordinary Resolution 7 as set out in the Notice of this meeting be taken as read. The said motion, detailed hereunder was then put to the meeting for consideration and to be voted by poll after the Q&A session:-

*“THAT pursuant to Paragraph 10.09 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the Company and its subsidiaries be and are hereby authorised to enter into and give effect to the Recurrent Transactions with the Related*

*Party as detailed in Section 2.3.2 of the Circular to Shareholders dated 30 July 2024 which are necessary for the Company's and its subsidiaries' day-to-day operations in the ordinary course of business on terms not more favourable to the said Related Party than those generally available to the public and not detrimental to minority shareholders of the Company.*

*AND THAT such approval shall continue to be in force until:-*

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the AGM whereby the authority is renewed; or*
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(1) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(2) of the Act); or*
- (c) revoked or varied by a resolution passed by the shareholders in a general meeting;*

*whichever is earlier;*

*AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature."*

## **7. AUTHORITY TO ALLOT SHARES**

The Meeting then proceeded to consider Ordinary Resolution 8 on giving authority to the Directors to allot shares up to 10% of the issued share capital as set out in the Notice of the Meeting dated 30 July 2024.

After briefing the Meeting on the purpose of the proposed resolution and with the permission of the Meeting, the Chairman declared that the Ordinary Resolution 8 as set out in the Notice of this meeting be taken as read. The said motion, detailed hereunder was then put to the meeting for consideration and to be voted by poll after the Q&A session:-

The following Ordinary Resolution was put to the Meeting for consideration and to be voted by poll after the Q&A session:- :

*"THAT subject always to the Companies Act 2016 ("Act") and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Section 75 of the Act, to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting upon such terms and conditions 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 10% of the total number of issued shares of the Company for the time being.*

*AND THAT authority be and is hereby given for the Directors to offer and issue new shares of the Company ranking equally to the existing shares of the Company pursuant to the aforesaid authority, to such persons for such consideration as the Directors deem fit and in the best interest of the Company.”*

## **8. ANY OTHER BUSINESS**

The last item on the agenda for the meeting was to transact any other business of which due notices shall have been received in accordance with the Companies Act 2016. The Meeting noted that no notice of any other business for transacting at the meeting was received.

## **9. QUESTION AND ANSWER (“Q&A”) SESSION**

The Meeting then proceeded to the Q&A session.

The Meeting was informed that the Company had received several questions from the MSWG and the Deputy Group CEO was then invited to read out the questions raised by MSWG and the Company’s responses to their questions. The questions and reply were also projected on screen for easy reading by the members. A copy of the said reply is annexed to this minutes.

The Chairman then proceeded to address the live questions after the Deputy Group CEO had read out the questions of MSWG and the Company’s responses. A summary of the responses to the questions raised are appended to this Minutes.

Upon the conclusion of the Q&A session, the Meeting proceeded to take the poll on all the resolutions tabled.

## **10. TAKING OF POLL AND ANNOUNCEMENT OF RESULT**

Upon the conclusion of the Q&A session, the Chairman requested the members and proxies to cast their votes remotely.

After which, the Chairman allocated another 10 minutes for the online voting session and adjourned the meeting for another 10 minutes for the Poll Administrator to count the votes and the verification of poll results by the independent scrutineer.

The meeting resumed and the poll results, as shown below, were presented to the Meeting:

**TASCO BERHAD**  
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**Minutes of the Forty-Ninth Annual General Meeting held on 5 September 2024**

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<b>Resolution(s)</b>	<b>Vote For</b>	<b>%</b>	<b>Vote Against</b>	<b>%</b>
Ordinary Resolution 1	638,147,635	99.9819	115,416	0.0181
Ordinary Resolution 2	638,186,235	99.9880	76,816	0.0120
Ordinary Resolution 3	638,231,671	99.9951	31,380	0.0049
Ordinary Resolution 4	634,638,479	99.9951	31,372	0.0049
Ordinary Resolution 5	634,638,479	99.9951	31,372	0.0049
Ordinary Resolution 6	638,257,779	99.9992	5,272	0.0008
Ordinary Resolution 7	118,473,567	99.9723	32,788	0.0277
Ordinary Resolution 8	607,397,055	95.1641	30,865,796	4.8359

The Chairman then declared that all the 8 ordinary resolutions tabled at this meeting were carried.

**CLOSURE**

There being no further business, the meeting closed at 4.10 p.m. with a vote of thanks to the Chairman.

**CONFIRMED CORRECT**



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**CHAIRMAN**

Dated: 16 October 2024

**APPENDIX: QUESTIONS AND ANSWERS**

<b>NO.</b>	<b>QUERIES</b>	<b>MANAGEMENT'S RESPONSE</b>
1.	What was the reason for the change in auditors of the Company?	The reason for the change in auditors was purely due to the cost of the services. The Company and the former auditors could not come to a consensus on the audit fee proposed by the former auditors
2.	When would the Company pay dividend and distribute treasure shares?	TASCO declared and paid a 0.235 sen cash dividend per share to its shareholders on 31 May 2024.  TASCO do not purchase its own shares and therefore there was no treasure shares.
3.	Will the Company hold physical general meeting next year?	The Securities Commission and Bursa Malaysia Berhad have announced that all public listed companies must hold hybrid or physical general meetings starting from 1 March 2025.  TASCO shall be guided by the latest guideline on the conduct of AGM issued/announced by Securities Commission and Bursa Malaysia Berhad.
4.	Will TASCO buy back its own shares?	At the moment, TASCO do not obtain its shareholders' approval for share buy back.





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

30 August 2024

**BY EMAIL/FAX/HAND**

The Board of Directors  
**TASCO BERHAD**  
802, 8th Floor, Block C  
Kelana Square  
17 Jalan SS7/26  
47301 Petaling Jaya  
Selangor Darul Ehsan

**Attention:**  
**Kang Shew Meng**  
**Seow Fei San**  
**Company Secretaries**

Dear Directors,

**Re: 49<sup>th</sup> Annual General Meeting ("AGM") of TASCO Berhad ("TASCO" or the "Company") to be held on Thursday, 5 September 2024**

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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. As the operating landscape shifted, the high freight rates experienced during the COVID-19 pandemic receded, impacting the revenue of logistics companies. Domestically, industry players had to contend with challenges such as worker shortages, increased labour costs, bigger overheads as well as a higher sales and service tax rate. (page 11 of AR 2024)
  - (a) What is the outlook for freight rates in FY 2025 and FY 2026?
  - (b) How does TASCO manage the challenges of worker shortages, increased labour costs and higher overheads?

**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

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

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2. Via its Cold Supply Chain or CSC business and its position as one of the largest cold chain providers in the country, TASCO can offer its customers a sizeable retail distribution capacity and extensive cold storage capabilities in both Peninsular Malaysia and East Malaysia. The near future will see it expanding its cold chain operations geographically to Penang, Kuching, and Johor Bahru by redesigning existing warehouses to incorporate cold chain facilities that will meet increasing market demand for cold storage solutions. (page 13 of AR 2024)

(a) What is CSC business's estimated market share?

(b) Are Penang, Kuching and Johor Bahru expected to have cold chain operations by end of FY 2025 or FY 2026? Are there any plans to expand to more areas in the medium term if the prospect or outlook is positive?

3. While the Group's strategic infrastructure developments and strengthened internal efficiencies will undoubtedly underpin its next phase of growth, it will also focus on strategic diversification. The latter will see the Group exploring opportunities in the EV and semiconductor, as well as aerospace, automotive, healthcare, chemical, and energy sectors. (page 13 of AR 2024)

What is the group's progress in exploring opportunities in the EV and semiconductor, aerospace, automotive, healthcare, chemical, and energy sectors?

4. With 90 per cent of its operational warehouse space leased, TASCO expects to fully realise the benefits of these facilities by mid-2024. Its strategic expansion in cold-chain logistics too is already yielding positive results. The newly freed-up cold-chain property in Port Klang is already generating better revenue through new leases and enhanced internal logistics utilisation. (page 15 of AR 2024)

(a) With such high occupancy, how soon is the warehouse space expected to achieve 100% occupancy? What percentage increase in warehouse space capacity is the Group targeting in the medium term, and what will the expected occupancy be by then?

(b) Please brief on the positive contribution of the cold-chain logistics and the outlook for FY 2025. If the cold-chain property in Port Klang already has 100% occupancy, what are the Group's plans for expanding capacity further?

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**Sustainability Matters**

5. As an interim target, Yusen has committed to providing net-zero Greenhouse Gas ("GHG") emissions services by 2030. In pursuit of this target, TASCO has ventured into exploring green technology as part of its green initiatives. These include its adoption of measures such as integrating electric vehicles ("EVs") into its fleet and collaborating with transportation partners to reduce fuel consumption and GHG emissions. (page 22 of AR 2024)

To what extent has the Group integrated EVs into its fleet? What is the Group's target in terms of percentage of its fleet and timeline?

6. The Group is committed to achieving net-zero GHG emissions for all services by 2050, with an interim target of providing net-zero GHG emission services by 2030, and a medium-term goal of reducing GHG emissions by 45% by 2030 compared to the baseline in 2022. (page 32 of AR 2024)

What is the current status of the Group's achievements and is it on track to achieve its target? What is the Group's most significant source for reducing GHG emissions?

7. In response to the challenges posed by climate change, TASCO has initiated a series of technical measures aimed at mitigating GHG emissions within its logistics operations. Among the initiatives to lower the impact of GHG emissions is to have Greener Warehouse Management Systems by designing new warehouse management systems to create greener warehouses and align with customers' low-carbon supply chain requirements. (page 44 of AR 2024)

How is the Group's progress in installing rooftop solar PVs in the warehouses and other relevant properties? What is the target and timeline?

8. There is no disclosure statement made on whether TASCO has subjected the Sustainability Statement to—
- (i) internal review by its internal auditor; or
  - (ii) independent assurance performed in accordance with recognised assurance standards,

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(Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa), Practice Note 9, Paragraph 6.2 (e) (i) (ii)).

Please comply with Bursa's MMLR in the next reporting cycle.

### **Corporate Governance Matters**

9. **Practice 4.4** of the 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.

**TASCO's response:** Applied.

A review of the Board and Senior Management performance in addressing the Company's material sustainability risks and opportunities is included in the Board's performance assessment. This is part of the Company's efforts in addressing sustainability risks and opportunities through performance reviews. (page 16 of CGR 2024)

**MSWG comments:**

What are the major KPIs adopted in the review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities?

10. **Practice 5.2** of the MCCG

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

**TASCO's response:** Departure.

The Board currently comprises eight (8) members, including three (3) Independent Non-Executive Directors and five (5) Executive Directors. (page 19 of CGR 2024)

**MSWG comments:**

What are the challenges/issues faced by the Company in sourcing for more Independent Non-Executive Directors? What is the timeline the Company has set to apply Practice 5.2?

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11. **Practice 5.9** of the MCCG

The board comprises at least 30% women directors.

**TASCO's response:** Departure.

The Board currently has a female director on board. The Board endeavours to continuously identify potential women Directors for nomination and shall appoint additional female Director when suitable candidates are identified. (page 26 of CGR 2024)

**MSWG comments:**

What are the challenges/issues faced by the Company in sourcing for more women Directors? What is the timeline the Company has set to apply Practice 5.9?

Please present the questions raised and the related answers to the shareholders present at the forthcoming AGM. At the same time, we await a written reply for our records as soon as possible.

Thank you.

Yours sincerely



**Minority Shareholders Watch Group**

**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

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5 September 2024

Minority Shareholders Watch Group  
Level 23, Unit 23-2, Menara AIA Sentral  
No. 30, Jalan Sultan Ismail  
50250 Kuala Lumpur

Attention : Dr Ismet Yusoff  
Chief Executive Officer

Dear Sir,

Re : 49<sup>th</sup> Annual General Meeting (“AGM”) of TASCO Berhad (“the Group” or “the Company”) on 5 September 2024

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We refer to your letter dated 30 August 2024 and our reply as follows:

**Operational & Financial Matters**

**Question 1:**

**As the operating landscape shifted, the high freight rates experienced during the COVID-19 pandemic receded, impacting the revenue of logistics companies. Domestically, industry players had to contend with challenges such as worker shortages, increased labour costs, bigger overheads as well as a higher sales and service tax rate. (page 11 of AR 2024)**

- (a) What is the outlook for freight rates in FY 2025 and FY 2026?**
- (b) How does TASCO manage the challenges of worker shortages, increased labour costs and higher overheads?**

**Answer:**

- (a) For Ocean Freight Forwarding (“OFF”)**

Freight futures for the FY 2025 and FY 2026 markets suggest a potential drop in container rates due to concerns about growing overcapacity. Numerous new container ships and vessels are scheduled for delivery in 2025 and 2026 by major carriers, adding additional TEUs capacity to the market. However, prolonged disruptions in the Red Sea, which may force ships to reroute via the Cape of Good Hope, could impact the supply/demand balance. Despite the longer routing via the Cape of Good Hope and the increased capacity, rates are expected to remain stable compared to the second half of 2024. If the situation in the Red Sea is resolved, rates are expected to decrease.

**For Air Freight Forwarding (“AFF”)**

For AFF, the International Civil Aviation Organization (ICAO) forecasts a 4.1% annual growth in global freight traffic up to 2025 and a 3.9% annual growth up to 2035, indicating sustained expansion in the air cargo sector.

Airfreight rates may continue to remain high due to increase demand for space. Space remained tight for 2024 for all sectors and will continue into 2025.

Airfreight rates may continue to remain high due to increase demand for space. Space remained tight for 2024 for all sectors and will continue into 2025.

(source: [www.iata.org](http://www.iata.org), [www.theloadstar.com](http://www.theloadstar.com))

- (b) To manage worker shortages, we partner with universities to recruit fresh graduate through participation in career fairs, career talks and direct recruitment via university portals. We also offer internships to final year university students, aiming to recruit these students as permanent employees upon their graduation. Additionally, we outsource labour functions to specialised providers or agencies.

To address the increase in labour costs and higher overheads, we consistently monitor and implement cost control measures. Where higher labour costs and overheads are as a result of government regulations, our contractual terms allow us to renegotiate selling rates with customers, e.g. in response to the government's implementation of minimum wage and overtime regulations.

**Question 2:**

**Via its Cold Supply Chain or CSC business and its position as one of the largest cold chain providers in the country, TASCOCO can offer its customers a sizeable retail distribution capacity and extensive cold storage capabilities in both Peninsula Malaysia and East Malaysia. The near future will see it expanding its cold chain operations geographically to Penang, Kuching and Johor Bahru by redesigning existing warehouses to incorporate cold chain facilities that will meet increasing market demand for cold storage solutions. (page 13 of AR 2024)**

- (a) **What is CSC business's estimated market share?**  
(b) **Are Penang, Kuching and Johor Bahru expected to have cold chain operation by end of FY 2025 and FY 2026? Are there any plans to expand to more areas in the medium term if prospect or outlook is positive?**

**Answer:**

- (a) Statistically, the Management does not have an independent report to measure the market share of our CSC business. However, based on the number of pallets in the warehouse and the number of trucks, our CSC business is considered one of the major players in Malaysia.
- (b) The expansion in Penang, Kuching and Johor Bahru is highly dependent on customer commitments and construction timelines. As for plan to expand to more areas in medium term, we currently have no concrete plan. We will continue to monitor and explore opportunities.

**Question 3:**

**While the Group's strategic infrastructure developments and strengthened internal efficiencies will undoubtedly underpin its next phase of growth, it will also focus on strategic diversification. The latter will see the Group exploring opportunities in the EV and semiconductor, as well as aerospace, automotive, healthcare, chemical, and energy sectors. (page 13 AR 2024)**

**What is the group's progress in exploring opportunities in the EV and semiconductor, aerospace, automotive, healthcare, chemical, and energy sectors?**

**Answer:**

We are already offering services in each of these sectors and are in the process of developing best practices and identifying opportunities to expand our clientele within each service area.

**Question 4:**

**With 90 per cent of its operational warehouse space leased, TASC0 expects to fully realise the benefits of these facilities by mid-2024. Its strategic expansion in cold-chain logistics too is already yielding positive results. The newly freed-up cold-chain property in Port Klang is already generating better revenue through new leases and enhanced internal logistics utilisation. (page 15 of AR 2024)**

- (a) With such high occupancy, how soon is the warehouse space expected to achieve 100% occupancy? What percentage increase in warehouse space capacity is the Group targeting in the medium term, and what will the expected occupancy be by then?**
- (b) Please brief on the positive contribution of the cold-chain logistics and the outlook for FY 2025. If the cold-chain property in Port Klang already has 100% occupancy what are the Group's plans for expanding capacity further?**

**Answer:**

- (a) Warehouses do experience seasonal peaks, so we do not aim for 100% occupancy. This approach allows us to provide our customers with flexibility during peak seasons. In the medium term, we plan to increase our warehouse space by 10% to 15%, with an expected occupancy rate of more than 90% at that time.**
- (b) Our cold chain business is relatively stable and expected to maintain its performance. If the cold chain property in Port Klang reaches 100% occupancy, we will begin exploring options for leasing external warehouse space or potentially constructing a new facility ourselves.**



## **Sustainability Matters**

### **Question 5:**

**As an interim target, Yusen has committed to providing net-zero Greenhouse Gas (“GHG”) emissions services by 2030. In pursuit of this target, TASC0 has ventured into exploring green technology as part of its green initiatives. These include its adoption of measures such as integrating electric vehicles (“EV”) into its fleet and collaborating with transportation partners to reduce fuel consumption and GHG emissions. (page 22 of AR 2024)**

**To what extent has the Group integrated EVs into its fleet? What is the Group’s target in terms of percentage of its fleet and timeline?**

### **Answer:**

TASC0 Group is currently in the pre-trial phase, collaborating with one of the suppliers of EV trucks to implement a green logistics transportation solution that utilizes battery swapping instead of directly charging the battery attached to the trucks. This initiative aims to transport cargo with zero emissions. The supplier has already obtained the approval by Jabatan Pengangkutan Jalanraya (“JPJ”) to register the trial EV truck and currently awaiting other approvals from the relevant government agencies.

Additionally, the company is in trial phase, collaborating with a supplier on the use of an ultimate cell solution (hydrogen technology) applied to internal combustion engines to reduce fuel consumption and therefore, carbon footprints.

The ongoing trial and collaborations indicate that TASC0 Group is committed to its sustainability goals.

### **Question 6:**

**The Group is committed to achieving net-zero GHG emissions for all services by 2050, with an interim target of providing net-zero GHG emission services by 2030, and a medium-term goal of reducing GHG emissions by 45% by 2030 compared to the baseline in 2022. (page 32 of AR 2024)**

**What is the current status of the Group’s achievement and is it on track to achieve its target? What is the Group’s most significant source for reducing GHG emissions?**

### **Answer:**

TASC0 Group has made significant contribution in sustainability initiatives and has achieved a 5% reduction in Scope 1 and Scope 2 GHG emissions from the 2022 baseline.

The most significant source for reducing GHG emissions at TASCOS Group are the use of electric forklifts, solar renewable energy in our warehouses, and the installation of LED lights in our warehouses and office premises. These initiatives have contributed substantially to the Group's overall reduction in emissions.

**Question 7:**

**In response to the challenges posed by climate change, TASCOS has initiated a series of technical measures aimed at mitigating GHG emissions within its logistics operations. Among the initiatives to lower the impact of GHG emissions is to have Greener Warehouse Management Systems by designing new warehouse management systems to create greener warehouse and align with customers' low-carbon supply chain requirements. (page 44 of AR 2024)**

**How is the Group's progress in installing rooftop solar PVs in the warehouses and other relevant properties? What is the target and timeline?**

**Answer:**

In 2020, TASCOS Group made a strategic investment in sustainability and has completed the installation of rooftop solar energy system at the cold chain facility in Berjaya Park Shah Alam. This initiative is part of TASCOS Group broader sustainability goals to reduce greenhouse gas emissions.

The Group's next target is to install rooftop solar PV systems at another branch, the West Port Logistics Centre, by mid-2025. Subsequently, there will be phased roll-out of similar projects by stages in our other selected warehouses.

**Question 8:**

**There is no disclosure statement made on whether TASCOS has subjected the Sustainability Statement to-**

- (i) internal review by its internal auditor; or**
- (ii) independent assurance performed in accordance with recognised assurance standards**

**(Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa), Practice Note 9, Paragraph 6.2 (e)(i)(ii)).**

**Please comply with Bursa's MMLR in the next reporting cycle.**

**Answer:**

We have noted the requirement and will ensure compliance in the upcoming reporting cycle.

## **Corporate Governance Matters**

### **Question 9:**

#### **Practice 4.4 of the 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 risk and opportunities.**

**TASCO's response:** Applied

A review of the Board and Senior Management performance in addressing the Company's material sustainability risks and opportunities is included in the Board's performance assessment. This is part of the Company's efforts in addressing sustainability risks and opportunities through performance reviews. (page 16 of CGR 2024)

#### **MSWG comments:**

What are the major KPIs adopted in the review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities?

#### **Answer:**

The major KPIs adopted for reviewing the performance of the board and senior management in addressing the company's material sustainability risks and opportunities include:

1. **FTSE4GOOD Index Rating:** Achieving a minimum rating of 2.9 on the Bursa FTSE4GOOD Index. This KPI measures the company's performance in meeting sustainability standards and benchmarks set by the index.
2. **Sustainability Policy and Strategy Review:** The Board's review of the company's sustainability policies and strategies. This involves assessing the relevance and effectiveness of the policies in addressing material sustainability risks and opportunities.
3. **Oversight of ESG Strategy Implementation:** The Board's oversight of the management's development and execution of environmental, social, and governance (ESG) strategies. This KPI evaluates how effectively the Board ensures that management implements and adheres to ESG strategies.

### **Question 10:**

#### **Practice 5.2 of the MCCG**

**At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.**

**TASCO's response:** Departure

The Board currently comprises eight (8) members, including three (3) Independent Non-Executive Directors and five (5) Executive Directors. (page 19 of CGR 2024)

**MSWG comments:**

What are the challenges/issues faced by the Company in sourcing for more Independent Non-Executive Directors? What is the timeline the Company has set to apply Practice 5.2?

**Answer:**

The Board is comprised of a diverse group of professionals, staff members, and entrepreneurs, each bringing a wealth of expertise in business, finance, economics, and law. We are aware that the MCCG recommends at least half of the board members should be independent directors. While we acknowledge this guideline, we believe that our current board size is suitable for effective decision-making. We are assessing the additional skills required to further enhance the board composition and to strengthen the team with the right talents. We remain committed to improving the Board's independence and are prepared to incorporate additional independent directors as suitable candidates are identified.

**Question 11:**

**Practice 5.9 of the MCCG**

**The board comprises at least 30% women directors.**

**TASCO's responses:** Departure

The Board currently has a female director on board. The Board endeavours to continuously identify potential women Directors for nomination and shall appoint additional female Director when suitable candidates are identified. (page 26 of CGR 2024)

**MSWG comments:**

What are challenges/issues faced by the Company in sourcing for more women Directors? What is the timeline the Company has set to apply Practice 5.9?

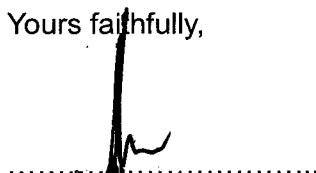
**Answer:**

Our approach to board appointments is based on merit and the diverse skill sets required by the company. We are committed to ensuring our board possesses a well-rounded mix of talents essential for achieving our strategic goals. In accordance with Practice 5.9 of the MCCG, which recommends at least 30% female representation on boards, we are dedicated to including female directors as suitable candidates are identified.

We have presented your questions as well as our answers to the shareholders at the 49<sup>th</sup> Annual General Meeting held on 5 September 2024.

Thank you.

Yours faithfully,



**Tan Kim Yong**  
Deputy Group CEO