

MINORITY SHAREHOLDERS WATCH GROUP
BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD
(Incorporated in Malaysia – Registration No.: 200001022382 (524989-M))

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MSWG AGM/EGM WEEKLY WATCH

27 FEBRUARY - 3 MARCH, 2023

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 27 February - 3 March, 2023.

The extraction of the question raised in the letter is highlighted here. For the details of other questions, please login to MSWG website at www.mswg.org.my.

One of the points of interest to be raised:

Company	Points/Issues to Be Raised
Hong Seng Consolidation Berhad (AGM)	<p>1. Inventories written down increased significantly to RM2.8 million (18-months FPE2021: RM0.79 million). (Page 68 of AR2022). What comprises these inventories that have been written down? Are these inventories written down still usable or salable?</p> <p>2. Impairment loss on trade receivables increased significantly to RM6.6 million (18-months FPE2021: RM0.4 million). The Group's impairment loss on trade receivables written off amounted to RM8.1 million (18-months FPE2021: Nil) (Note 11, page 113 of AR2022). (a) What is the reason for the substantial increase in impairment loss on trade receivables? To-date, how much of the RM6.6 million impaired trade receivables have been collected? (b) What comprises the trade receivables that have been written off? What were the measures taken to recover the RM8.1 million prior to being written-off?</p>
APB Resources Berhad (AGM)	<p>APB group recorded improved financial performance in FY2022 with a 37% increase in revenue to RM78.02 million from RM56.87 million in the year before, mainly due to higher project revenue amid a slight improvement in the operating environment. As a result of the higher revenue and recovery for impairment losses on trade receivables, the Group registered profit after taxation of RM8.6 million against loss after taxation of RM5.3 million for FY2021 (Page 10 & 11 of Annual Report (AR) 2022).</p> <p>(a) At last year's AGM, the Board replied to MSWG's question that the bulk of the Group's current order book will be completed in FY2022. What is the value of the remaining order book to be delivered by the Group? How long would these works sustain APB's operation? (b) What are the new projects and order book value secured to-date? (c) What is the visibility of replenishing the orderbook in view of the ongoing conflicts in Ukraine, the rapid rise in global inflation and the challenges in the process equipment industry? What is the Group's internal target for order book replenishment in FY2023?</p>
Hubline Berhad (AGM)	<p>"In spite of various challenges within the South East Asian region, we continue to invest our resources into this geographical region because we see good potential growth over the longer term. Moreover, the challenging economic backdrop may actually produce several business and investment opportunities which may yield tangible results for us in the longer term provided that these opportunities fall within the Group's risk-adjusted return profile." (page 6 of FY2022 annual report) How much capital expenditure is allocated for FY2023 and what are the investments to be made in FY2023?</p>