

## MINORITY SHAREHOLDERS WATCH GROUP

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

New Straits Times, Business Times – Tuesday, January 25, 2022

### MSWG AGM/EGM WEEKLY WATCH 24 – 28 JANUARY 2022

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 24 - 28 January 2022.  
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](http://www.mswg.org.my)

*One of the points of interest to be raised:*

#### Company

#### Points/Issues to Be Raised

**Horneritz Corporation Berhad (AGM)**

1. The Company has not had a Chairman since its listing and this is not in line with Practice 1.2 of the Malaysian Code of Corporate Governance that stipulates that PLCs appoint a Chairman who will instil good corporate governance practices, leadership and ensure the effectiveness of the Board.  
The Company has stated in its CG Report that it intends to maintain the current board composition until the need for a Chairman arises.  
Does the Company have any plans of appointing a Chairman, and if yes, by when?

2. The total fee for the internal audit function of the Company during the financial year ended 31 August 2021 was RM12,500. (Page 31 of AR 2021)

- a) Given that the fee is rather small (approximately RM1,041.00 per month), how does the audit committee assure itself that there would be adequate coverage and an effective audit function?
- b) What are the areas covered by the internal auditors during the financial year ended 31 August 2021?
- c) How many internal audit reports were issued during the said period?

**PLB Engineering Berhad (AGM)**

The Company had entered a Memorandum of Understanding with China Railway Engineering Corporation (M) Sdn Bhd ("CRECM") to establish a basis of co-operation and collaboration for the engineering procurement and construction work for the Rehabilitation Works under the Project ("MOU"). The MOU was approved by shareholders at an EGM held on 8 March 2021.

- (a) What were the reasons for the termination of the MOU with CRECM?
- (b) Who are the potential interested funders for the Rehabilitation Works?

**Bright Packaging Industry Bhd (AGM)**

Customer A contributed 85% or equivalent to RM31.98 million sales to Bright Packaging in FY2021 (Note 25 – Segment information, page 100 of AR2021).

The dependency on a single major customer constitutes a concentration risk to business and operations. How does the Group plan to reduce the business risk of relying on Customer A for sales?

**Trive Property Group Berhad (AGM)**

The Group recorded a higher operating loss of RM56.09 million for the year under review as compared to RM5.96 million recorded in preceding financial year. The operation loss was mainly due to impairment loss of RM42.30 million and fair value loss for investment in quoted shares of RM5.90 million. (page 9 AR2021)

- (a) Given the huge amount of impairment loss and fair value loss for investment in quoted shares, please explain what went wrong with the Company's investment strategy?
- (b) Which of the Group's business activities will bring the Group back to profitability?

**BSL Corporation Berhad (AGM)**

Emphasis of Matter  
(Pages 59-60 of the Annual Report 2021)

The Auditors draw attention to Note 34(b) to the financial statements which discloses the bills of demand issued by the relevant authority to BSL Electronics & Technologies Sdn. Bhd. (formerly known as Crestronics (M) Sdn. Bhd.) ("BSLET"), a wholly owned subsidiary company of the Company.

As explained in the said note, based on the available facts and information as of the date of this report, the solicitor is of the opinion that BSLET has arguable grounds and basis to contend that there is no legal and factual basis for the Minister of Finance to reject BSLET's remission application. Consequently, no further provision has been provided. In the event that the appeal is not successful, BSLET is liable for the remaining balance of the claim of RM10,900,000.

- (a) What is the latest update on this issue?
- (b) As this issue continues from the previous years, when does the Board expect this issue to end?