

## MINORITY SHAREHOLDERS WATCH GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

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

New Straits Times, Business Times – Wednesday, 01 December 2021

### MSWG AGM/EGM WEEKLY WATCH 29 NOVEMBER – 3 DECEMBER 2021

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 29 November 2021 – 3 December 2021.

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*

**INSAS Berhad (AGM)**

Based on the Corporate Governance (CG) report of the Company on the application of the Practices under the Malaysian Code on Corporate Governance (MCCG), please provide clarification on the following:

Practice 4.2: The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

Insas' response: Departure. The Board recommends that the Ordinary Resolution for the retention of Tengku Aishah be voted through the normal voting process i.e. single tier voting process.

There is only one class of ordinary shares in the Company and the rights of the holders, including the right to vote, shall rank pari passu. Every shareholder should exercise their voting rights on the same platform or level and each ordinary share shall be entitled to one vote.

MSWG's comment: Based on a Frequently Asked Questions on the MCCG published by the Securities Commission on 26 April 2017, and revised on 30 April 2021, it is stated that the two-tier voting process is consistent with the rights and powers attached to shares as accorded in the Companies Act 2016. In exercising the votes under the two-tier voting process, each shareholder continues to have only one vote for each shares held. Therefore, the retention of Tengku Aishah as an independent non-executive director beyond 12 years should be tabled via a two-tier voting process as per the MCCG.

**Hong Leong Industries Bhd (AGM)**

Guocera Holdings Sdn Bhd Group's new strategy is to move away from ceramics to focus on the mid to high-end market segments for porcelain tiles, particularly those with distinctive product features and concept-based selling. The immediate and long-term plans are to broaden and deepen market penetration for both domestic and international channels. (page 19 of Annual Report 2021 (AR2021))

Apart from key international markets like Vietnam, Thailand, Singapore and Australia where the Guocera brand is well-recognised, what are the Group's plans in terms of penetrating new international markets? What are the other new international markets that the Group targets to penetrate?

**Supermax Corporation Bhd (AGM)**

1. Other Operating Expenses increased significantly to RM365.1 million in FYE 2021 compared to RM267.6 million in FYE 2020? (Page 49 of AR 2021).

What were the reasons for the significant rise?

2. Impairments for trade receivables rose sharply to RM11.7 million in FYE 2021 compared to RM2.1 million in FYE 2020. (Page 52 of AR 2021)

(a) What were the reasons for the sharp spike in the impairments?

(b) How much of the impaired amount has been collected after the financial year end?

**FCW Holdings Bhd (AGM)**

Revenue for its contract manufacturing segment involving personal care products increased from RM21.1 million in FYE 2020 to RM26.1 million in FYE 2021 due to heightened awareness among consumers on hygiene during the pandemic. (Page 16 of AR 2021)

(a) What are steps taken by the Company to increase its sales during the pandemic to capitalise on the heightened awareness on hygiene among consumers during the pandemic?

(b) What are the potential export markets the Company is seeking to venture into to market its personal care products in FYE 2022?