

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

New Straits Times, Business Times –Monday, September 6, 2021

MSWG AGM/EGM WEEKLY WATCH
6 - 10 SEPTEMBER 2021

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 6 - 10 September 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.

One of the points of interest to be raised:

Company Name	Question	Answer
Lit Hen Industries Bhd (AGM)	The Company had employed 3,333 people for FYE 2020 and has a substantial reliance to foreign labour (Page 47 of AR 2021) (a) What was the ratio of foreign workers to local workers in FYE 2020? In line with tighter regulations to employ foreign workers by the Malaysian Government, what are the steps taken by the Company to mitigate the impact? (b) Is the Company looking at automating some of its manufacturing processes to reduce reliance on labour since there is shortage of labour for the manufacturing sector in the country?	The Company had employed 3,333 people for FYE 2020 and has a substantial reliance to foreign labour (Page 47 of AR 2021) (a) What was the ratio of foreign workers to local workers in FYE 2020? In line with tighter regulations to employ foreign workers by the Malaysian Government, what are the steps taken by the Company to mitigate the impact? (b) Is the Company looking at automating some of its manufacturing processes to reduce reliance on labour since there is shortage of labour for the manufacturing sector in the country?
Hartalega Holdings Bhd (AGM)	The Company has a huge reliance on foreign workers. The Malaysian Government has made it more stringent to employ foreign workers recently. (a) What is the ratio of foreign workers compared to local workers in the Company currently? (b) What are the steps taken by the Company to address the Government's stricter policy in hiring foreign workers?	The Company has a huge reliance on foreign workers. The Malaysian Government has made it more stringent to employ foreign workers recently. (a) What is the ratio of foreign workers compared to local workers in the Company currently? (b) What are the steps taken by the Company to address the Government's stricter policy in hiring foreign workers?
EUPE Corporation Bhd (AGM)	The Group's profit attributable to shareholders has been on an increasing trend FY2018 (RM9.6 million), FY2019(RM30.3 million), FY2020 (RM33.9 million) and FY2021(RM42.2 million). (Page 6 of AR) The Group paid 1.5 sen interim dividend for FY2020 and the Board did not declare any dividend for FY2021 even though the Group recorded higher profit attributable to shareholders in FY2021 as compared to FY2020. Furthermore, its gearing ratio has improved to 0.01 times in FY2021 from 0.33 times in FY2020. (a) What was the reason for the Board not declaring any dividend in FY2021 even though the Group recorded a higher profit in FY2021? (b) When will the Board declare dividends to shareholders? (c) Will the Board formulate a dividend policy? If yes, what is the policy?	The Group's profit attributable to shareholders has been on an increasing trend FY2018 (RM9.6 million), FY2019(RM30.3 million), FY2020 (RM33.9 million) and FY2021(RM42.2 million). (Page 6 of AR) The Group paid 1.5 sen interim dividend for FY2020 and the Board did not declare any dividend for FY2021 even though the Group recorded higher profit attributable to shareholders in FY2021 as compared to FY2020. Furthermore, its gearing ratio has improved to 0.01 times in FY2021 from 0.33 times in FY2020. (a) What was the reason for the Board not declaring any dividend in FY2021 even though the Group recorded a higher profit in FY2021? (b) When will the Board declare dividends to shareholders? (c) Will the Board formulate a dividend policy? If yes, what is the policy?
Master-Pack Group Bhd (AGM)	Under the Sustainability Statement (page 16 of Annual report 2020), Master-Pack had disclosed the energy and water consumption level for FY2020 and FY2019. (a) However other key statistics such as green house gas emission, plant waste, glue sludge and ink sludge were not disclosed. Does the Group keep track of the statistics for these items? (b) What is the consumption/effluent/discharge targets Master-Pack aims to achieve? How does the Group plan achieve these targets?	Under the Sustainability Statement (page 16 of Annual report 2020), Master-Pack had disclosed the energy and water consumption level for FY2020 and FY2019. (a) However other key statistics such as green house gas emission, plant waste, glue sludge and ink sludge were not disclosed. Does the Group keep track of the statistics for these items? (b) What is the consumption/effluent/discharge targets Master-Pack aims to achieve? How does the Group plan achieve these targets?
Sentoria Group Bhd (AGM)	The Group's financial position has worsened in FY 2021 as it suffered a higher net loss of RM171 million as compared to a net loss of RM89 million in FY2020. To overcome the Group's financial difficulty, it has applied to Corporate Debt Restructuring Committee ("CDRC") under the purview of Bank Negara Malaysia to mediate with the lenders to restructure or renegotiate the respective financial facilities held by the Group and certain of its subsidiary companies in the aggregate sum of approximately RM461 million as of 31 March 2021. (Page 56 of AR) (a) What was the reason for the Group having such high borrowings of RM461 million? (b) What are the chances that the CDRC will be able to get the lenders to restructure the borrowings? (c) When does the Group expect CDRC to revert with an answer on the restructuring of the Group's borrowings? (d) What will be the contingency plan if CDRC cannot get approval from the lenders to restructure the Group's borrowings? (e) What are the recommendations of the consulting firm that the Company had engaged to assist in the restructuring of the Group's debts and liabilities? (f) Please provide the name of the consulting firm and the fees payable to the firm.	The Group's financial position has worsened in FY 2021 as it suffered a higher net loss of RM171 million as compared to a net loss of RM89 million in FY2020. To overcome the Group's financial difficulty, it has applied to Corporate Debt Restructuring Committee ("CDRC") under the purview of Bank Negara Malaysia to mediate with the lenders to restructure or renegotiate the respective financial facilities held by the Group and certain of its subsidiary companies in the aggregate sum of approximately RM461 million as of 31 March 2021. (Page 56 of AR) (a) What was the reason for the Group having such high borrowings of RM461 million? (b) What are the chances that the CDRC will be able to get the lenders to restructure the borrowings? (c) When does the Group expect CDRC to revert with an answer on the restructuring of the Group's borrowings? (d) What will be the contingency plan if CDRC cannot get approval from the lenders to restructure the Group's borrowings? (e) What are the recommendations of the consulting firm that the Company had engaged to assist in the restructuring of the Group's debts and liabilities? (f) Please provide the name of the consulting firm and the fees payable to the firm.
JOE Holding Bhd (Ika GPA Holdings Bhd) (AGM)	On-15 July 2021, JOE Holding had invested in Pasukhas Group Berhad ("Pasukhas") for a total purchase consideration of approximately RM25 million via rights issue with a substantial shareholding of 21.58% equity interest in Pasukhas (Note 37(d), page 113 of AR2021). (a) What was the hurdle rate adopted and approved by the Board in evaluating the investment in Pasukhas? (b) What is the expected minimum percentage of return on investment for the Pasukhas investment? (c) Given that Pasukhas is a loss-making company for the past 3 years up to 31 December 2020, how will the Board ensure that the investment is in the best interest of the Company and shareholders interest can be safeguarded?	On-15 July 2021, JOE Holding had invested in Pasukhas Group Berhad ("Pasukhas") for a total purchase consideration of approximately RM25 million via rights issue with a substantial shareholding of 21.58% equity interest in Pasukhas (Note 37(d), page 113 of AR2021). (a) What was the hurdle rate adopted and approved by the Board in evaluating the investment in Pasukhas? (b) What is the expected minimum percentage of return on investment for the Pasukhas investment? (c) Given that Pasukhas is a loss-making company for the past 3 years up to 31 December 2020, how will the Board ensure that the investment is in the best interest of the Company and shareholders interest can be safeguarded?