

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

New Straits Times, Business Times – Monday, July 22nd, 2019 (A)

**MSWG AGM/EGM WEEKLY WATCH JULY 22 -25, 2019**

The following are the AGMs/EGMs of companies which are in the Minority Shareholders Watch Group's (MSWG) watch list. The summary of points of interest is highlighted here, while the details of the question of the companies can be obtained via MSWG's website at [www.mswg.org.my](http://www.mswg.org.my).

**The AGMs/EGMs for the week:**

Date & Time	Company	Venue
22.07.19 (Mon) 10.00 am	CYL Corporation Bhd AGM	Eastin Hotel, Jalan 16/11, Pusat Dagang Seksyen 16, PJ
23.07.19 (Tue) 09.30 am	AYS Ventures Bhd AGM	Seria City Convention Centre, Setia Alam, Seksyen U13, Shah Alam
25.07.19 (Thur) 10.00 am	EUPE Corporation Bhd AGM	Nedra, Creta Seyang Golf and Country Resort, Parsiparan Chini Seyang, Sungai Petani
25.07.19 (Thur) 10.30 am	Mintyie Bhd AGM	Mintyie Corporate Headquarters, Taman Perindustrian Air Keroh, Melaka
25.07.19 (Thur) 11.00 am	Kim Loong Resources Bhd AGM	Amanjoh Bahru, No. 82C, Jalan Tase, Johor Bahru, Johor Darul Takzim

**Among points of interest to be raised:**

**Company**      **Points/Issues to Be Raised**

**CYL Corporation Bhd AGM**  
Under Note 14 (page 69) of AR2019, there was significant concentration credit risk arising from amounts owing by 4 major customers which accounted for 80% of total trade receivables. We also note on page 81 of AR2019, RM42.82 million (2018: RM48.57 million) of the Group's revenue of RM53.45 million (2018: RM58.63 million) was attributed to the Group's 4 major customers.  
(a) Is there a concern on the concentration risk in your portfolio of customers?  
(b) How would you manage this significant concentration risk?  
(c) Have any of the amount owing by the 4 major customers been impaired?

**AYS Ventures Bhd AGM**  
AYS recorded profit before tax of RM21.127 million in the FYE 2019 which was RM11.527 million lower than FYE 2018 of RM32.654 million despite the higher revenue recorded. This was due to the pressured margin with higher cost of goods sold brought on by the increase in purchase prices of steel products and higher finance costs as additional trade facilities were used for working capital requirements for the purchases of trading stocks (Page 14 of the Annual Report 2019)  
How will the Board address the higher cost of goods sold and higher finance costs amid the challenging operating environment?  
In the Operating Segments reporting on page 121 and 122 of the Annual Report, the Others segment reported a segment loss of RM0.73 million in FY2019 as compared with the segment profit of RM0.78 million in FY2018.  
(a) Which division from the Others Segment which includes rental of properties, management of complex, fruits cultivation and kindergarten operational contributed to the loss in FY2019 and what is the comparative figure for FY2018?  
(b) What are the measures taken to turnaround the division that suffered the loss?

**EUPE Corporation Bhd AGM**  
As stated in the Chairman's Letter (Page 13), the manufacturing segment reported loss before tax of RM0.7 million due to closing stock written-off of certain products. On Page 86 (Note 17) of the Annual Report, it is disclosed that inventories written off increased significantly from RM43,826 to RM1.78 million.  
(a) What were the inventories written-off and why was there such a significant increase?  
(b) What is the Group's policy in maintaining the level of inventories and what measures have been taken to ensure that such substantial write off would not recur?

**Mintyie Bhd AGM**  
The Company's internal audit function is now performed by the Company with effect from 1.1.2019 instead of by the Group. It is also mentioned that KPMG Management & Risk Consulting Sdn. Bhd (KPMGMRCSB) has been appointed to perform risk-based internal audit where the results are directly reported to the Audit Committee.  
(a) What is the reason for KPMGMRCSB being appointed to perform risk based internal audit as the Internal Auditors also carried out their internal audit work based on a risk-based auditing methodology as disclosed on page 43 of the MCCG report?  
(b) What are the fees paid to KPMGMRCSB? Does the internal audit fees of RM224,000 disclosed includes the KPMGMRCSB's fees?

**Kim Loong Resources Bhd AGM**