

## MINORITY SHAREHOLDERS WATCH GROUP

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

New Straits Times, Business Times – Monday, 21 November 2023 (Part 2)

### MSWG AGM/EGM WEEKLY WATCH

20 - 24 NOVEMBER 2023

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 20 - 24 November 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](http://www.mswg.org.my).

One of the points of interest to be raised:

Company	Points/Issues to Be Raised
Sern Kou Resources Berhad(AGM)	<p>The profitability suffered despite the top-line improvement mainly due to higher input costs across all segments that affected our performance. In FY2023, gross profit stood at RM19.1 million as compared to RM29.7 million in the prior year. (Page 7 of AR 2023)</p> <p>a) Please name the major cost items in both segments and the price trend of these cost items from FY2022 to FY2023.</p> <p>b) Based on the Board's outlook of the current market conditions, does the Board expect the input cost to moderate moving forward?</p>
Golden Land Berhad (AGM)	<p>One of the Group's other payables is in relation to an amount due to a Director of RM12.1 million (FY2022: Nil). The amount due to a Director represents advances from a Director, which is subject to interest rate of 8.00% (FY2022: NIL) per annum and payable within the next 12 months. (Note 29, page 124 of AR2023)</p> <p>a) How did the Company utilise the RM12 million of advances from a Director?</p> <p>b) Did the Board consider other means of fund raising prior to accepting the advances from a Director at an interest rate of 8.00%?</p> <p>c) Is the interest rate competitive as opposed to taking a loan from financial institutions?</p>
Malaysia Building Society Berhad (CCM)	<p>The Subject Loans, with a net book value of RM279 million as of 30 June 2023, will be disposed to Emerald Unity Sdn Bhd at a consideration based on the net book value to be determined later. Emerald Unity is tasked to settle or recover money from these non-performing conventional loans MBSB sells to it. In turn, MBSB shall receive proceeds arising from the settlement or recovery of the Subject Loans as consideration for the Subject Loans.</p> <p>a) What is the likelihood of recovering the Subject Loans as they are already categorised as non-performing loans?</p> <p>b) What types of loans did the Subject Loans originate from?</p>
M & A Equity Holdings (AGM)	<p>The Financial Services segment, which made up almost 100% of MEH's income, recorded a lower revenue and profit in FY2023. The segmental revenue declined by 16.24% to RM40.65 million from RM48.53 million in FY2022, mainly due to lower brokerage commissions at RM13.4 million (FY2022: RM18.73 million) and lower corporate finance advisory fee income at RM16.52 million (FY2022: RM20.11 million). However, interest income increased by 10.8% to RM10.74 million compared to RM9.69 million in the previous financial year.</p> <p>a) The corporate finance and brokerage subsegments' results indicate normalising performance after a record year in 2021. With MEH's heavy reliance on the Financial Services segment, what is the prospect for the two key subsegments as we have seen easing retail participation in the local stock market amid a rising cost of living and a challenging macroeconomic environment?</p> <p>b) M&amp;A Securities plans to take up more significant IPO engagements in terms of higher market capitalisation and higher fundraising quantum. Would this jeopardise M&amp;A Securities' standing as the top principal advisers in the IPO market for the ACE and LEAP market, in which the prospective clients usually seek to raise smaller funds size?</p> <p>c) M&amp;A Securities ranked 3rd among Malaysian issuers in Malaysia's Equity's Rights Offering league table 2021 by Bloomberg with total fund raised of RM1.7 billion from 62 deals. What is M&amp;A Securities' latest ranking in equity and rights offering deals? How does M&amp;A Securities maintain and protect its position in a highly competitive environment?</p>



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<b>Kamdar Group (M) Berhad (AGM)</b>	The management will continue to exercise financial prudence and tighten operating costs to maximise shareholder value through our four strategic growth drivers i.e. strategic diversification, driving technology's innovation, cost and organizational effectiveness and looking into sustainability as a new growth area (page 13 of Annual Report 2023). Please provide further explanation regarding the aforementioned four strategic growth drivers
<b>MTAG Group Berhad(AGM)</b>	Despite a 15% decline in revenue to RM180.2 million in FY2023, the Group's gross profit margin (GPM) increased to 32.8% from 28.3% a year ago. What are the reasons for the spike in GPM? Is it sustainable going forward?
<b>Salutica Berhad (AGM)</b>	<p>In the FYE2023, Salutica faced a substantial revenue decline of 55.6%, totalling RM80.0 million, primarily due to reduced demand for True Wireless Stereo (TWS) headsets and the halt in peripheral production. This, combined with economic uncertainties and higher interest rates, led to a loss before tax of RM21.4 million, marking an increased loss of RM13.1 million from the previous year (page 16 of AR2023).</p> <p>a) How much is the contribution of TWS headsets sales to the Group's revenue and how significant was the reduction of the volume order as compared to previous periods or expected levels?</p> <p>b) What led to the decision to discontinue the production of computer peripherals instead of pursuing innovation to address changing market demands? What was the financial impact of ceasing production of computer peripherals to the Group?</p> <p>c) Given the significant revenue decline in FYE2023, what strategies are in place to potentially recover or stabilize revenue in the upcoming fiscal periods? When is the Group anticipating a turnaround in its financial performance following the challenges encountered in FYE2023?</p>

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