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 August 2023 Part 1

MSWG AGM/EGM WEEKLY WATCH

21 - 25 AUGUST 2023

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 21 - 25 August 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.**

One of the points of interest to be raised:

Company	Points/Issues to Be Raised
Jiankun International Berhad (EGM)	The Group has completed the acquisition of a leasehold land measuring approximately 18,387 square meters situated at Pekan Klebang Sek. II, Daerah Tengah, Melaka (which is located near the Land in relation to the Proposed Land Acquisition) from Cash Support Sdn Bhd for a cash consideration of RM13.0 million on 29 March 2022. The aforesaid land has been earmarked for the development of a hotel and 2 blocks of 20-storey service apartments and is currently in the planning stage. The Group will eventually have two vacant lands in the Klebang area for property development. Will this pose a concentration risk for the Group? Please elaborate.
AMMB Holdings Berhad (AGM)	AMMB has been divesting its non-core assets in the past few years with the latest being the disposal of AmGeneral Insurance Berhad to Liberty Insurance Berhad in July 2022. Currently, the Bank is reportedly in talks with a few potential suitors to divest AmMetLife Insurance. Will the proposed disposal of AmMetLife mark the end of AMMB's asset divestiture drive? Which are the other potential assets to be divested moving forwards?
Oriental Food Industries Holdings Berhad (AGM)	The Group recorded a strong 25% growth in revenue to RM360 million in FY2023. However, gross profit margin (GPM) declined from 17.9% in FY2022 to 15.1% in FY2023. a) Which product categories were the top contributors to revenue growth in FY2023? b) Please provide the sales breakdown by product categories for FY2023. c) What were the reasons for the significant decline in GPM? d) Does the Group expect GPM to recover in FY2024? What measures are you taking to improve GPM? e) What is the budgeted capex for FY2023? Please provide the capex breakdown (e.g., plant and machineries, maintenance cost etc).
Hextar Technologies Solutiuons Berhad (AGM)	1. There is an impairment loss on investment in subsidiaries of RM3.2 million in FYE2023 (FYE2022: RM Nil) (page 115 of AR2023). a) To which subsidiaries do the impairment losses relate to? What were the reasons for the high impairment losses in FYE2023? b) What are the measures taken by the Company to ensure that the impairment losses on investment in subsidiaries do not increase further? 2. The Company's trade receivables and contract assets that were past due more than 91-120 days have increased to RM2.9 million in FYE2023 from RM0.2 million in FYE2022 (page 130 of AR2023). a) What were the difficulties faced by the Company in the collection of the trade receivables that were past due more than 91-120 days as the outstanding amount increased substantially? b) Who are the customers and who make up this category (past due 91-120 days) of the Company's trade receivables in FYE2023 and what are their profiles?
EUPE Corporation Berhad (AGM)	The Group's revenue recorded a reduction of RM21 million, or 19.4 % in FY 2023 (RM202 million) as compared to RM223 million in FY 2022. However, the Group's administrative expenses increased by RM5.9 million or 36.2% in FY 2023 (RM22.2 million) as compared to RM16.3 million in FY 2022. a) Why did the Group's administrative expenses increase substantially despite a reduction in revenue? b) Please name the administrative expenses that recorded significantly higher amounts in FY 2023 as compared to FY 2022. c) How does the Group plan to manage the higher administrative expenses in FY 2024?
Eastern & Oriental Berhad (AGM)	The Group's FY 2023 result was dampened by property development costs written down by RM135.3 million. (Page 123 of AR). The development costs written down were in respect of residential and commercial properties in United Kingdom. a) Please provide the names and values of the residential and commercial properties that were written down. b) What actions have been taken to mitigate the risk of further write down in value of the property development costs of these properties?
YBS International Berhad (AGM)	The increase of RM18.08 million in borrowings was mainly due to renovation and extension of factory building projects. (page 13 of AR 2023) a) What is the total floor space and current utilisation rate for the new manufacturing plant at Penang Science Park? b) What is the total capex for this plant? c) When does the Group expect this plant to run at full capacity? What is the potential revenue at full capacity?

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PNE PCB Berhad (AGM)	1.Impairment loss on property, plant and equipment amounted to RM4,880,210 in FY 2023 (FY 2022: Nil). (see page 84 of AR 2023) What was the reason for the impairment loss? What is the probability of further impairment or reversal in FY 2024? 2.The total fee incurred for the internal audit function of the Group during the financial year ended 31 March 2023 was RM14,900.00. (page 28 of AR 2023). The low internal audit fees was also raised last year. Considering that the amount is rather small (approximately RM1,200 per month), is the Board and Audit committee satisfied that the internal audit function can provide the required assurance? What are the areas audited during the financial year? How many reports were issued during the financial year?
HHRG Berhad (AGM)	The Group is actively expanding its biomass business segment by investing in downstream bio-compost production facilities. This strategic move aims to tap into new markets, broaden the customer base, and generate extra revenue in the upcoming quarters (page 12 of AR2023). a) Please provide insights into the timeline for the development and operation of the bio-compost production facilities. What is the targeted market, and when can we expect to see tangible results and contributions to the Group's revenue stream? b) Given the competitive landscape and potential challenges in the bio-compost market, what strategies has the Group devised to establish a competitive edge and capture a significant share of this market?
Boilermech Holdings Berhad (AGM)	The Solar Energy segment recorded a 44% decline in PBT to RM1.4 million in FY2023 despite registering a 9.9% increase in revenue to RM37.7 million. (page 23 of AR 2023) a) What were the reasons for the significant decline in PBT? What measures are you taking to improve the profit margins for this segment? b) What is the current outstanding orderbook for the Solar Energy segment? c) Is this segment actively tendering for any EPCC projects? If so, what is the current tender book?
AME Elite Consortium Berhad (AGM)	Construction and Engineering Services Segments The segments' PBT decreased to RM10.3 million from RM17.3 million in FY2022 due to changes in project mix and margins (Page 17 of AR2023). In terms of new contracts, the segments secured a construction contract worth RM10.2 million and engineering contracts worth RM100.9 million during FY2023, a lower amount compared to the previous financial year's total of RM442.6 million (Page 16 of AR2023). a) What is the progress of the segments' current projects? b) What are the reasons for the changes in project mix and margins? What is the outlook for the margins in FY2024? c) As the contract secured in FY2023 was lower than the previous financial year, are the segments facing difficulty in securing new contracts? If so, what are the measures taken to manage the difficulty? d) What is the latest total orderbook and targeted orderbook replenishment for both segments in FY2024?

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