

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

New Straits Times, Business Times – Monday 30 September 2024

MSWG AGM/EGM WEEKLY WATCH
30 SEPTEMBER 2024 -
6 OCTOBER 2024

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 30 September 2024 to 6 October 2024.

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
Jadi Imaging Holdings Berhad (AGM)	<p>The Group recorded a 9.2% decline in revenue to RM26.4 million in FY2024. Meanwhile, the cost of sales increased 11.8% to RM30.8 million. (page 78 of Annual Report (AR) 2024)</p> <p>a) What were the reasons for the significant increase in the cost of sales despite a decline in revenue?</p> <p>b) Please provide the breakdown of the Group's cost of sales for FY2024 and FY2023.</p> <p>c) What are the measures that the Group has taken or plans to take to improve its cost structure?</p> <p>d) What is the outlook for the remainder of FY2025?</p>
Xin Hwa Holdings Berhad (AGM)	<p>1. At Xin Hwa, the Group reported a net loss of RM21.4 million for the financial year ended 31 March 2024 ("FY2024"), primarily due to elevated operating costs in the land transportation division, that was further affected by impairment on trade receivables (page 14 of AR 2024).</p> <p>a) How will the Company manage its elevated operating costs in the land transportation division going forward? What is the outlook for operating costs in FY 2025?</p> <p>b) Is the Company expected to turn profitable in FY 2025?</p> <p>2. Allowance for impairment losses on trade receivables increased to RM18.094 million in FY 2024 from RM12.985 million in FY 2023. The allowance also constituted a significant 42.7% of total trade receivables of RM42.321 million as at end of FY 2024. (page 105 of AR 2024)</p> <p>a) How did the allowance for impairment losses rise to such a significant amount which warrants a review of the Company's credit risk management policy?</p> <p>b) How much of the allowance has been recovered since the end of FY 2024? What is the probability of fully recovering the whole impaired amount?</p>
Magni-Tech Industries Berhad (AGM)	<p>1. Garment segment delivered an organic growth in revenue by 13.1% to RM1.259 billion from RM1.113 billion in FY2023 mainly due to higher sales orders received which was made possible by various ongoing strategies to drive sales and production during FY2024 (Page 15 of AR2024).</p> <p>a) Please provide insights into the Group's strategies and competitive advantages that enabled it to secure higher sales orders from its major customers. Does the Group anticipate continued growth in sales orders for the coming year?</p> <p>b) What were the annual installed capacities and utilisation rates of the factories in Malaysia and Vietnam in FY2024? Additionally, does the Group have sufficient excess production capacity to accommodate further increases in sales orders from its major customers?</p> <p>c) What percentage of the Group's garment production was subcontracted out in FY2024?</p> <p>2. The Group has acknowledged the customer concentration risk within its Garment segment and has indicated ongoing efforts to mitigate this risk through potential mergers and acquisitions of businesses with diversified brands (Page 17 of AR2024). Please provide an update on the progress made to mitigate the customer concentration risk, particularly in relation to the pursuit of potential mergers and acquisitions.</p>