

## MINORITY SHAREHOLDERS WATCH GROUP

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

New Straits Times, Business Times – Monday, August 3, 2020

### MSWG AGM/EGM WEEKLY WATCH

3 - 7 AUGUST 2020

For this week, 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 questions to 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
03.08.20 (Mon) 11.00 am	Kerjaya Prospek Group Bhd (AGM)	Bloomswale Sales Gallery, No. 137, Jalan Puchong, KL
04.08.20 (Tue) 10.30 am	WZ Satu Bhd (EGM)	The Ballroom, Zenith Putrajaya, Presint 2, Putrajaya
05.08.20 (Wed) 10.00 am	WCT Holdings Bhd (AGM)	Broadcast Venue at Galeri 3, Level 3, New World Petaling Jaya Hotel, Paradigm Mall, Kelana Jaya
06.08.20 (Thurs) 10.00 am	My E. G. Services Bhd (AGM)	Broadcast Venue at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, PJU 8, PJ
06.08.20 (Thurs) 11.00 am	My E. G. Services Bhd (EGM)	Broadcast Venue at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, PJU 8, PJ
07.08.20 (Fri) 09.30 am	HB Global Limited (AGM)	No. 17-04 BLK B, Austin V Square, Jalan Austin Perdana, JB
07.08.20 (Fri) 03.00 pm	Mudajaya Group Bhd (AGM)	Broadcast Venue at Broadcast Venue, Level 11, Menara Mudajaya, Mutiara Damansara

#### One of the points of interest to be raised:

##### Points/Issues to Be Raised

**Kerjaya Prospek Group Bhd (AGM)**  
As of 31 December 2019, the Group's inventories (completed properties) level stand at RM64,617,271, representing an increase of 30.2% as compared to the previous financial year of RM49,647,360 (Note 12, Page 122 of the Annual Report 2019).  
How does the Group intend to manage these inventories, moving forward?

**WCT Holdings Bhd (AGM)**  
Engineering and Construction Division  
a) During the financial year under review, the Division recorded an operating loss of RM17.7 million (FY2018: operating profit of RM136.7 million) mainly due to provision for additional losses of RM146.7 million following the unfavourable Final Arbitral Award (Page 10 of the Annual Report 2019).  
As the arbitration has come to an end, does the Board expect the Division to return to profitability in FY2020? What is the outlook for this Division in FY2020?

**My E.G. Services Bhd (AGM)**  
Revenue contribution from Commercial Based Services and Products in relation to services rendered decreased to RM271.8 million (FY2018: RM400.1 million) (Note 38, page 165 of Annual Report for the 15-months financial period ended 31 December 2019 (AR2019-1)).  
What is the reason for the significant decrease? Does the Group expect the declining trend of revenue contribution from Commercial Based Services and Products in relation to services rendered to continue, going forward?

**My E.G. Services Bhd (EGM)**  
In line with better corporate governance, MSWG does not encourage the practice of giving options to independent non-executive directors as they play the governance role (and not an executive role) in the Company and are responsible for monitoring the option allocation to employees and executive directors.  
Under the Proposed Allocation of ESOS, there are three independent non-executive directors ("INEDs") namely Tan Sri Dato' Dr. Muhammad Rais Bin Abdul Karim, Datuk Mohd Jimmy Wong Bin Abdullah and Wong Kok Chau are eligible to subscribe for new shares (Resolution 5, 6 and 7, Notice of EGM). The risk is that the independent directors may be fixed with their share price and this may affect their impartial decision-making, which should be made without reference to share price considerations.  
Why is the Proposed ESOS extended to the three INEDs since they do not perform executive roles? Are the directors' fee and other benefits that they receive not adequate to compensate the services rendered by them?

**HB Global Limited (AGM)**  
Property, plant and equipment (PPE) of the Company with a carrying amount of RM876.65 million (FY18: RM882.79 million) was previously used in the duck farming business, which operations had ceased (page 80 of AR2019).  
Furthermore, there was an addition of RM823.53 million in PPE during FY19, comprised of RM815.7 million of leasehold land, buildings and infrastructure, RM8500,000 of plant machinery and RM87.32 million of construction work in progress.  
a) Apart from looking for lessee to generate some income to the Group on the PPE related to duck farming, what are the other actions taken, or to be taken, to maximize the value of the assets?  
b) What is the nature of the additions of PPE related to leasehold land and construction work in progress?

**Mudajaya Group Bhd (AGM)**  
1) The Group's debt-to-equity ratio is at approximately 5 times. Mudajaya intends to improve its net gearing by considering various feasible financing options to further strengthen the corporate balance sheet (Page 29 of the Annual Report 2019).  
What is the Group's targeted gearing level, and what are the financing options that the Group is considering?

2) The Group incurred administration expenses of RM51,636,000 in FY2019, representing an increase of 75.1% as compared to the previous financial year of RM29,489,000 (Page 93 of the Annual Report 2019).  
What are the reasons for the Group to incur such a significant increase in administrative expenses in FY2019?