

MINORITY SHAREHOLDERS WATCH GROUP

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

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MSWG AGM/EGM WEEKLY WATCH 27 - 29 JULY 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

The AGMs/EGMs for the week:

Date & Time	Company	Venue
27.07.20 (Mon) 9.00 am	Pegasus Heights Bhd (AGM)	Seremban Centrepoint Convention Hall, Seremban, Negeri 9
27.07.20 (Mon) 10.00 am	Sapura Resources Bhd (AGM)	Broadcast Venue at Sapura @ Mines, No. 7, Jalan Tasik, The Mines Resort City, Sri Kembangan
27.07.20 (Mon) 2.30 pm	Affin Bank Bhd (AGM)	Broadcast Venue at Level 18, Menara Affin, Jalan Raja Chulan, KL
28.07.20 (Tue) 9.00 am	Teck Guan Pertana Bhd (AGM)	XocoLat Hall, Ground Floor, Hotel Ermas, Jalan Uthara, Tawau, Sabah
28.07.20 (Tue) 10.30 am	Quality Concrete Holdings Bhd (AGM)	Broadcast Venue at Room 209, 2nd Floor, Wisma Bukit Mala Kuching, Kuching, Sarawak
28.07.20 (Tue) 11.00 am	Kumpulan H&L High-Tech Bhd (AGM)	Green II, Clubhouse, Tropicana Golf & Country Club, Jalan Kelab Tropicana, Petaling Jaya
29.07.20 (Wed) 10.00 am	Axiata Group Bhd (AGM)	Broadcast Venue at Auditorium, Axiata Tower, KL Sentral
29.07.20 (Wed) 10.00 am	George Kent (Malaysia) Bhd (AGM)	George Kent Technology Centre, Taman Meranti, Jeyra, Puchong

One of the points of interest to be raised:

Company

Points/Issues to Be Raised

Pegasus Heights Bhd (AGM)

The Trading segment recorded a higher revenue of RM8.31 million with a loss after tax of RM0.04 million in FY 2019 as compared to a lower revenue of RM6.85 million with a profit of RM 0.049 million in FY 2018. (pages 121 and 123 of Annual Report)

a) Why is the profit margin from the Trading segment so low for both FYs?

b) What are the measures taken by the Company to improve the Trading segment profitability?

Sapura Resources Bhd (AGM)

The Aviation business segment reported a higher loss of RM15.2 million in FY 2020 as compared to a loss of RM10.7 million in FY 2019. The MRO business segment also reported a loss of RM12.1 million in FY 2020, its first year of operation. (pages 181 & 182 of Annual Report)

a) Please explain the reasons that contributed to the higher losses in the Aviation and MRO business segments in FY 2020?

b) What measures has the Company taken to reduce the losses of the Aviation and MRO business segments moving forward?

Affin Bank Bhd (AGM)

Remuneration paid to directors of subsidiaries increased by 60.38% y-o-y to RM2.57 million in FY19 from RM1.6 million the year before. What is the rationale for the sharp increase in remuneration paid to directors of subsidiaries?

Teck Guan Pertana Bhd (AGM)

The Group's estates produced a total of 18,563MT (2019: 23,849MT) of FFB which was about 22.16% lower than the previous year mainly due to lower yield (page 18 of Annual Report 2020 (AR2020)).

a) The Group's FFB production and yield per mature hectare have been on a declining trend since FY2018, what are the reasons for the decline in yield?

b) What are the Group's plans to improve the FFB production and yield per mature hectare?

Quality Concrete Holdings Bhd (AGM)

In 2019, MSWG questioned the Company on the chances of recovering the impaired trade receivables. The Company, in its reply letter, among others, stated that it was pursuing legal action on debts of about RM4.1 million.

What portion of the RM4.1 million has been recovered to-date?

What is the current status of the legal action?

Kumpulan H&L High-Tech Bhd (AGM)

Other Investments recorded a fair value loss of RM203,867 in FY 2019 as compared to RM76,142 in FY 2018.

a) Please provide a breakdown of the balance of the fair value loss of Other Investments amounting RM108,631 in FY 2019.

b) Please explain the reason for the investment in unquoted shares that resulted in the high fair value loss of RM47,236 from the initial cost of RM150,000?

Axiata Group Bhd (AGM)

1. In regard to operating revenue, sales of devices has declined significantly from RM1,273.5 million in FY 2018 to RM666.6 million in FY 2019. (Page 84 of Governance and Audited Financial Statements 2019 – GAFSI).

What were the main reasons for the sharp decline in the sales? What are the measures taken to address the decline?

What is the outlook for FY2020?

2. Outstanding provision for impairments increased significantly from FY 2018 to FY 2019.

What were the reasons for the significant increases?

What is the nature of contract assets and other receivables?

George Kent (M) Bhd (AGM)

What are the reasons for the significant decline in the share of results of the joint venture from RM13,407,000 in FY2019 to RM274,000 in FY2020 (Page 77 of the Annual Report 2020)?