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

The Observer

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❖ Wooing stock market participation from the younger generation

Like it or not, the Malaysian capital market needs an injection of youth interest to remain vibrant and progressive.

As revealed by Securities Commission Malaysia (SC) chairman Datuk Seri Dr Awang Adek Hussin, investors aged 45 and below only constitute 7% of total investors in the stock market, with the number of those in the 20 – 30 years bracket expected to be even lower.

While only a fraction of investors in the stock market are below the age of 45, most remisiers in the stockbroking industry are aged 50 and above.

"The capital market industry now badly requires injection of new blood both as employees as well as young investors. One worry about the stockbroking industry's future is that young people are not attracted to the industry," he pointed out in a recent event.

Doubtlessly, there is a dire need to entice more young people to invest in the Malaysian capital market to ensure its vibrancy going forward.

"For those between the age of 20 and 30 years – the true young investors – the number must be very small," reckoned Awang Adek. "We therefore need young executives to attract young investors. They are more technology savvy, and they understand each other better."

There is little left for investing

The low stock market participation from youths is linked to several observations. First, youths have little balance left for savings or investment after spending on necessities.

The findings are supported by recent data from the Department of Statistics (DOSM), that as of March 2023, employees aged between 20 and 39 recorded median monthly salaries ranging between RM1,682 and RM3,282[1]. As of March 2023, about 62.5% (or 4.03 million) of Malaysia's 6.45 million formal employees are aged between 20 and 39 years.

[1] Employee Wages Statistics (Formal Sector) Report, First Quarter 2023, Department of Statistics Malaysia

As a comparison, the highest median value across all age groups was posted by employees aged 40 – 49 with RM3,500. For perspective, Bank Negara Malaysia (BNM) stated that the living wage for a single adult in Kuala Lumpur was RM2,700 (in 2018) and RM4,500 for a childless couple. The living wage for a couple with two children would be RM6,500.

Besides, as pointed out by the *Young Capital Market Survey 2022* conducted by the Securities Commission, most of the income of Malaysian youth is spent on food, household expenses and debt repayment, leaving them little discretionary income for saving or investing.

The survey by SC also found that youths, especially low-income earners, lacked sufficient surplus for investment after they had set aside cash for emergencies. Malaysian youth prefer to save for emergencies over investing. They tend to only focus on saving for retirement later in their life. Conversely, higher income groups were more inclined to invest their surplus into different asset classes, including equities.

On the other hand, they face the societal pressure against them to maintain a good appearance. This means more spending on grooming and maintenance. Besides, with the mantra of YOLO (you only live once) permeating their minds, controlling their expenses by limiting eating out, shopping and travel makes them feel that they cannot enjoy the fruits of their labour.

The study was conducted on 1,003 youths aged 18 to 40 years nationwide. 29% of the respondents had a monthly household income of between RM2,000 and RM2,999, followed by 35% with RM3,000 and RM4,999. 17% earn between RM5,000 and RM6,999 a month, with the rest receiving take-home pay of RM7,000 and above.

Real investment exposure

Meanwhile, to further cultivate the awareness of investing among youths, the SC chairman also announced that stockbroking companies have agreed to introduce an adoption scheme.

Under the scheme, each company would adopt a university to plan and work with students and lecturers to promote greater understanding and appreciation of the capital market. For instance, the company can assist lecturers in crafting a course related to the capital market to be taught to students.

"These efforts will enrich students' learning experience and expose them early to the workings of the capital market while enhancing their employability and reducing their vulnerabilities to financial scams," suggested Awang Adek.

Moreover, participating companies could also assist students in establishing investing clubs to promote greater awareness of investment opportunities in the capital market.

"I hope the MOHE (Ministry of Higher Education) and universities will be receptive to this novel idea as I am sure that this is very much in line with the wishes of our Prime Minister Datuk Seri Anwar Ibrahim and MOHE to see greater collaborative efforts between university and industry," stressed the SC chairman. "The proposed adoption scheme will add a new dimension to this collaboration."

Conclusion

While it is vital to rejuvenate the Malaysian capital market with an injection of youth interest to ensure that it remains vibrant and progressive, such an idea will nevertheless be confronted by the challenges of low disposable income as well as the high entry capital required for quality stocks (i.e., blue chip equities).

In fact, findings from the survey by SC further revealed that only 3% of the overall youths who participated in the survey possessed a high-risk appetite (i.e., an ability to withstand loss or to put money into an investment), while the balance 97% had a medium-to-low risk appetite. Moreover, 70% of respondents further deemed stocks/shares the riskiest capital market product.

Notwithstanding this, innovative measures such as fractional shares and reduced board lots could go a long way to boost the participation of younger investors, given their limited financial resources and the need to meet their low-risk appetite. They will be able to nibble at good stocks at low outlays.

By MSWG Team

MSWG AGM/EGM Weekly Watch 28 August – 1 September 2023

For this week, the following are the AGMs/EGMs of companies 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.

Date & Time	Company	Quick-take
28.08.23 (Mon) 10.00 am	PCCS Group Berhad (AGM)	In FYE2023, the Group achieved an 11.4% increase in revenue to RM463.4 million with a higher net profit of RM10.2 million. The Apparel Division posted a 13.4% increase in sales, while the revenue from the Label and Packaging Division declined by 89.2% y-o-y. At the same time, it recorded a one-off gain of RM6.0 million profit from the disposal of a subsidiary. Amid persistent challenges in the apparel industry, the Group diversifies into credit financing and medical sectors to enhance resilience and mitigate market volatility risks.
28.08.23 (Mon) 10.00 am	Minetech Resources Berhad (AGM)	Minetech achieved revenue of RM123.8 million and a loss before tax (LBT) of RM7.92 million in FY2023. Revenue was 45% higher due to

		increased contributions from the Civil Engineering and Bituminous Products divisions. Meanwhile, LBT narrowed to RM7.9 million compared to a LBT of RM24.3 million in FY2022. The LBT for FY2023 included a one-off impairment of goodwill and other receivables totalling RM7.45 million.
28.08.23 (Mon) 10.00 am	Dominant Enterprise Berhad (AGM)	Dominant's revenue in FY2023 rose 19% to RM791.6 million (FY2022: RM665.0 million), mainly due to higher revenue from the distribution of wood products segment, which recorded a revenue of RM644.8 million (FY2022: RM499.2million). Despite the challenging business landscape, with all its business segments recording lower or unfavourable y-o-y results, the Group remained profitable with a profit of RM10.8 million in FY2023 (FY2022: RM33.4 million).
28.08.23 (Mon) 11.00 am	YLI Holdings Berhad (AGM)	YLI's revenue for FY2023 was lower at RM75.4 million (FY2022: RM83.8 million), which was primarily attributed to lower demand for its products and lower overseas sales for MRPI Pipes in addition to the Langat 2 project reaching its tail end for Laksana Wibawa. In FY2023, YLI recorded an operating profit of RM5.6 million (FY2022: operating loss of RM4.7 million), mainly due to a one-off gain of RM15 million from the disposal of freehold lands.
28.08.23 (Mon) 03.00 pm	Power Root Berhad (AGM)	For FY2023, Power Root recorded a 31% growth in revenue to RM455.8 million due to multiple factors, including higher local sales and revisions of product selling prices. Meanwhile, its net profit jumped 126% to RM59.5 million thanks to higher revenue and improved operational efficiencies.
29.08.23 (Tue) 10.00 am	Ajinomoto (M) Berhad (AGM)	Ajinomoto's PBT dipped by 34.6% y-o-y in FY2023 due to the surge in raw material prices. Higher interest rates and inflation have resulted in higher living costs, further impacting consumers' purchasing power.

		The company will continue to monitor its supply chain in respect of material costs as well as the marketing and product distribution to meet customers' expectations and consumers' satisfaction. It has successfully relocated to its eco-friendly state-of-the-art plant in Bandar Enstek, which has since been operating smoothly from December 2022.
29.08.23 (Tue) 10.00 am	Powerwell Holdings Berhad (AGM)	Powerwell recorded a 96.7% jump in revenue to RM159.1 million in FY2023, primarily driven by the successful completion of high-value projects related to LV switchboards and MV switchgears. Meanwhile, it reported a PBT of RM8.50 million, a remarkable turnaround from the LBT of RM1.97 million in FY2022. During FY2023, the Group has made significant investments in new machinery and equipment to enhance production efficiency and mitigate costs.
29.08.23 (Tue) 10.00 am	IJM Corporation Berhad (AGM)	Excluding the results of discontinued operations, the Group reported a 3.7% increase in consolidated revenue in FY2023 to RM4.57 billion from RM4.41 billion the previous year. The increase was attributable to higher revenue recorded by the Property, Industry and Infrastructure divisions. Correspondingly, the Group's EBITDA of continuing operations increased by 29.4% to RM1.06 billion from RM822.22 million the previous year.
29.08.23 (Tue) 11.00 am	SDS Group Berhad (AGM)	SDS delivered a sturdy performance in FY2023 with a 43.1% jump in revenue to RM283.7 million. Both the retail and wholesale segments registered strong revenue growth, up 60.2% and 34.6%, respectively. Meanwhile, profit after tax rose 134.3% to RM24.8 million due to improved gross profit margin and efficient cost control.
29.08.23 (Tue) 12.00 pm	Mytech Group Berhad (AGM)	Despite the lower Group's revenue from the disposal of the hotel operations and reduced customer orders in the manufacturing segment, MyTech achieved a higher PBT of RM1.94 million (FY2022: RM1.84 million). In FY2023, MyTech, via a partnership to create awareness of electric cars in

		Malaysia, received a net financing incentive fee of RM0.355 million, which has cushioned the decline in the revenue.
29.08.23 (Tue) 10.30 am	YGL Convergence Berhad (AGM)	YGL recorded a 14.6% decline in revenue to RM11.8 million in FY2023. Net loss widened to RM1.3 million from RM0.1 million in FY2022. The software implementation segment recorded a higher net loss of RM0.86 million in FY2023 (FY2022: RM0.16 million) on the back of a 6.3% decline in revenue to RM5.23 million. On the other hand, the solar installation segment recorded a 20.2% decline in revenue to RM6.61 million in FY2023. Net loss widened to RM0.51 million (FY2022: RM0.3 million).
29.08.23 (Tue) 02.30 pm	ATA IMS Berhad (AGM)	In FY2023, ATA's net loss widened to RM254.6 million from RM12.2 million in the previous year, with revenue dipping 65% to RM915.8 million from RM2.6 billion a year ago, mainly due to the termination of contracts with its principal customer, Dyson. Since the end of FY2022, ATA has been implementing downsizing and cost-cutting measures that have positioned it in a stronger financial position, which it believes will enable it to fulfil obligations and seize new business opportunities.
29.08.23 (Tue) 03.00 pm	Kumpulan Fima Berhad (AGM)	The Group's revenue in FY2023 increased to an all-time high of RM709.75 million, up by 3.8% compared to the previous year, driven by strong performance across most of its core businesses. However, the Group's PBT was RM119.29 million, down by 35.6% compared to the previous year, primarily due to the decreased PBT of its plantation and food divisions.
30.08.23 (Wed) 09.30 am	Green Packet Berhad (AGM)	The Group has been incurring losses for the last five financial years, though the loss of RM62.642 million in FPE2023 (15 months) was lower than the loss of RM147.98 million in FYE2021. It has been divesting non-core businesses, exploring new high-margin growth areas, streamlining its

		operations and concentrating on its core business in Financial Technology (FinTech), Property Technology (PropTech), and Communications Content & Infrastructure (CCI) Services.
30.08.23 (Wed) 10.00 am	QL Resources Berhad (AGM)	The Group delivered another year of uninterrupted revenue growth, with a 19.2% growth in revenue to RM6.24 billion (FYE2022: RM5.24 billion), attributable to normalised demand and higher unit selling price. Its PBT increased in line with revenue growth, rising 49.7% to RM480.83 million (FYE2022: RM321.21 million) as margins normalised after dipping last year. The efforts in improving productivity and efficiency and cost subsidies helped in this regard.
30.08.23 (Wed) 10.00 am	Panasonic Manufacturing Malaysia Berhad (AGM)	Panasonic's revenue grew by 14% y-o-y to RM991.6 million in FY2023, driven by the full market reopening and fulfilment of backlogged orders arising from the December 2021 flood incident at one of its plants. The pre-tax profit surged by 72.2% to RM91.3 million attributed to higher revenue, an RM5.6 million increase in interest income due to interest rate hikes, and an RM22.3 million one-off insurance claim related to the flood incident.
30.08.23 (Wed) 10.00 am	Solarvest Holdings Berhad (AGM)	In FYE 2023, the Group posted revenue of RM365.5 million, representing a year-on-year improvement of 107.9% from the RM175.8 million in the preceding year. This was mainly attributable to the increase in recognition of the construction progress of LSS4 projects. Its net profit soared to RM19.7 million in FYE 2023, indicating a 185.5% growth from RM6.9 million recorded in FYE 2022. This marks Solarvest's best-ever financial performance to date.
30.08.23 (Wed) 11.00 am	Xin Hwa Holdings Berhad (AGM)	The Group achieved a revenue growth of 12.2% year-on-year to RM118.3 million from RM105.4 million in FY2022. This was predominantly owing to the maiden contribution from its manufacturing business as well as the manufacturing and fabrication of trailers division. However, the Group

		posted a net loss of RM15.7 million as it was affected by higher financing costs, depreciation, and increased operating and administrative expenses.
30.08.23 (Wed) 11.00 am	Matrix Concepts Holdings Berhad (AGM)	In FY2023, Matrix posted a stronger topline performance with a 24.7% growth in revenue to RM1.11 billion, as the absence of COVID-19 related lockdowns facilitated unhindered and optimum operational levels. On the back of stronger revenue recognition and continued cost rationalisation strategies, Matrix posted improved earnings in FY2023 with PBT of RM260.7 million. Meanwhile, net profit was up marginally at RM202.8 million.
30.08.23 (Wed) 02.30 pm	WCE Holdings Berhad (AGM)	WCE posted lower revenue at RM506.8 million in FY2023 compared to RM606.9 million in the previous financial year as land acquisition progress is at its tail end. The Group recorded a PBT of RM68.0 million compared to a LBT of RM139.3 million in the previous financial year. The profit is mainly due to the gain on disposal of the investment in associates of RM208.0 million during the financial year.
01.09.23 (Fri) 11.00 am	FCW Holdings Berhad (AGM)	For FPE2023, FCW's revenue fell 25% to RM21.62 million from RM28.86 million a year earlier. With lower revenue, its PBT shrunk 16% to RM21.04 million from RM25.12 million in the previous financial year. The decrease in revenue and profit can be attributed primarily to the change in the fiscal year-end, which shifted from 30 June to 31 March (i.e., 9 months vs 12 months).

One of the points of interest to be raised:	
Company	**Points/Issues to Be Raised**
Tiong Nam Logistics Holdings Berhad (AGM)	The Group's trade receivables and contract assets credit impaired that were past due more than 90 days have increased to RM9.5 million in FYE2023 from RM8.5 million in FYE2022 (page 142-143 of AR2023). a) What were the difficulties faced by the Group in the collection of the trade receivables that were past due more than 90 days as the outstanding amount increased?

<table>
<tr><td></td><td>b) Who are the customers and who make up this category (past due 90 days) of the Group's trade receivables in FYE2023 and what are their profiles?

c) To-date, how much of the overdue amount has been collected?</td></tr>
<tr><td>PCCS Group Berhad
(AGM)</td><td>The era of windfall profits from the Apparel Division is coming to an end due to intensified competition, which has led to a decrease in prices. Additionally, there are rising labor costs associated with this trend (page 30 of Annual Report (AR) 2023).

Despite heightened competition and evolving market dynamics, does the Group continue to hold a positive outlook on the potential of the Apparel Division? If yes, how do you plan to strategize to enhance profitability in the upcoming year?</td></tr>
<tr><td>Minetech Resources Berhad
(AGM)</td><td>As of 31 March 2023, the Group has trade receivables amounting to RM38.77 million (FY2022: RM24.61 million) that are past due but not impaired as at the end of FY2023. (page 139 of AR 2023).
a) How much of the said trade receivables that are past due are from related parties and/or major customers?

b) How long has the said trade receivables been overdue?

c) To-date, how much of the said trade receivables have been collected?</td></tr>
<tr><td>Dominant Enterprise Berhad
(AGM)</td><td><u>Financial Performance</u>
<table>
<tr><td>For the Financial Year Ended 31 March</td><td>FY2019</td><td>FY2020</td><td>FY2021</td><td>FY2022</td><td>FY2023</td></tr>
<tr><td>Profit Before Tax (PBT) (RM'000)</td><td>35,310</td><td>20,240</td><td>20,760</td><td>45,651</td><td>12,761</td></tr>
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(Source: Page12 of the Annual Report 2023/AR2023)

In FY2023, Dominant recorded a PBT of RM12,761,000 compared to a PBT of RM45,651,000 in FY2022. After deducting the net insurance compensation (Other operating income) amounting to approximately RM10,600,000 recognised in FY2022, FY2023's PBT represents a decline of about RM22,290,000 or 63.60% based on a year-on-year comparison. In general, FY2023's PBT was also the lowest since FY2019.

a) How does the Board plan to address the Group's PBT performance, moving forward?

b) Dominant faced a challenging business landscape in FY2023 (Page 12 of AR2023). Does the Board expect the challenges to prolong in FY2024? What is the outlook for the Group's financial performance for FY2024?</td></tr>
<tr><td>YLI Holdings Berhad
(AGM)</td><td>During the year under review, the Group recorded a gross loss of RM835,000 (FY2022: Gross profit of RM4,332,000) when the cost of sales was higher than revenue. Apart from a year-on-year lower revenue recorded by the Group, the continued spike in raw</td></tr>
</table>

	material and utility costs was also the main contributor to the recorded gross loss in FY2023 (Page 17 & Page 50 of AR2023). a) What is the need to sell below the cost of sales? Has the Group passed on the rising raw material and utility costs to the customers in FY2023? b) What are the drastic measures taken by the Board to address the above issue? c) Can the Group achieve a gross profit in FY2023? If not, why?
MMAG Holdings Berhad (AGM)	The Group incurred a net loss of RM89.4 million and, as of March 31, 2023, total current liabilities exceeded assets by RM56.9 million. The Board believes the Group's continuation relies on utilizing funds from a proposed share issue, credit facilities, and successful mobile, fulfilment, and logistics operations. Failure may impede asset realization and liability settlement. The Group's viability hinges on executing these plans (page 50 of Annual Report (AR) 2023). a) Besides expanding the Courier & Logistics Services division, how does the Group plan to utilize the proceeds from the proposed rights issue to address the current financial challenges and improve its going concern status? b) What is the Group's plan to ensure the successful utilization of these credit facilities to support the Group's ability to continue its operations as a going concern? c) Given the highly competitive nature of the Mobile & Fulfilment and Courier & Logistics Services sectors, how does the Group define and quantify successful operations within these industries?
Power Root Berhad (AGM)	For FY2023, the Group recorded a 31% growth in revenue to RM455.8 million due to multiple factors including higher local sales and revision of the product selling price. (page 25 of Annual Report (AR) 2023) a) How many times did the Group increase the selling price of its products in FY2023? What was the percentage increase by product category? b) Will there be adjustments to selling prices in FY2024? c) What is your targeted revenue growth for FY2024? Where is the growth expected to come from? d) Are there any specific market trends or consumer preferences that the Group is capitalizing on? e) What is the budgeted capex for FY2024 and its breakdown?
Resintech Berhad (AGM)	Despite recording historic high revenue of RM89.98 million in FY2023 (FY2022: RM80.59 million), Resintech's net profit declined sharply by 80.4% year-on-year to RM1 million compared to RM5.11 million in the year before.

	a) The decline in profit was mainly due to a significantly higher cost of sales at RM77.27 million (FY2022: RM63.7 million), arising from increased manufacturing and operational costs, e.g., utilities, materials and finance costs. Has the cost pressure moderated in FY2024? Does Resintech expect to experience similar margin compression in FY2024? b) To what extent has the Group transferred the cost increase to customers? Will the Group resort to more drastic cost-cutting measures to preserve its profit margin?
Harvest Miracle Capital Berhad (AGM)	There is a notable rise in the impairment losses on investments in subsidiaries of RM7.2 million in FYE2023 (vs FYE2022: RM 1.0 million) (page 61 of AR2023). a) To which subsidiaries do the impairment losses relate to? What were the reasons for the substantial impairment losses in FYE2023? b) What are the measures taken by the Group to ensure that the impairment losses on investment in subsidiaries do not increase further?
Ajinomoto (M) Berhad (AGM)	The Group recorded profit before tax of RM15.9 million in FY2023 as compared to RM24.3 million in the preceding financial year. The decrease was mainly due to an increase in raw material prices, computer hardware and software maintenance costs and transitional costs from factory relocation to the Company's new factory in Bandar Enstek (page 7 of annual report (AR) 2023). Raw materials and packaging materials consumed increased by 34.4% from RM250.89 million in FY2022 to RM337.32 million in FY2023 (page 47 of AR2023). a) What has been the price trend for the Company's key raw materials, in particular those used for AJI-NO-MOTO? Has the Company been able to pass on its cost increases to customers to mitigate the impact of higher raw material and packaging costs? b) How much are the annual computer hardware and software maintenance costs? Are these costs related to the new factory in Bandar Enstek? What would be the expected level of maintenance costs going forward? c) What is the Company's total production capacity before and after the completion of its new factory in Bandar Enstek? What is the new factory's current utilisation rate?
Powerwell Holdings Berhad (AGM)	The Group has made significant investments in new machinery and equipment to enhance production efficiency and mitigate costs. This includes acquiring three state-of-the-art AMADA machines, namely laser, punching, and bending machines, at a total cost of RM5.4 million. These machines have significantly increased output capacity, improved operational speed, and reduced wastages, improving overall efficiency. (page 20 of Annual Report (AR) 2023)

	a) What was the Group's total capex in FY2023? b) What was the Group's average utilisation rate in FY2023? c) How much is the additional capacity from these new machines? d) What is the budgeted capex for FY2024 and its breakdown?
IJM Corporation Berhad (AGM)	With the substantial decline in net gearing from about 50% before the disposal of IJM Plantations to 25.8% as of 31 March 2023, coupled with strong cashflow with net operating cashflow exceeding RM1 billion for the past four years, the Group is directing its endeavours towards enhancing its existing core businesses, as well as exploring new geographical markets and adjacent business verticals to broaden its sources of income (page 67 of Annual Report FY2023). a) Which new geographical markets is the Group eyeing? b) With lower net gearing and strong cash flow, does the Board intend to increase the dividend payout ratio compared to the previous dividend payout before the disposal of the plantation division?
ACME Holdings Berhad (AGM)	The Group recorded other income, compensation received for liquidated ascertained damages, ("LAD") of an amount of RM 2,610,000 in FY 2023 as compared to RM Nil in FY 2022. (Page 99 of AR) The LAD was received from Pelana Tenggara Sdn. Bhd.,("Pelana Tenggara"), where the major shareholder of Pelana Tenggara is an immediate family member of a substantial shareholder of the Company.(Page 107 of AR) a) Please name the substantial shareholder of the company that relates to Pelana Tenggara. b) To which of the Company's property project does the LAD relate to? c) Did the Group have to pay any LAD to its new home buyers due to the late completion of the property project by Pelana Tenggara? If yes, what is the the amount paid? d) Why did the Company still appoint Pelana Tenggara as a sub-contractor for the Company's project as it has paid a deposit of RM 2,817,879 to Pelana as it has the record of not completing the property project given within the agreed time frame as it has paid LAD to the Company? (Page 108 of AR) e) What measures has the Group taken to ensure that Pelana Tenggara will complete the construction of the Company's property project that was awarded by the Company within the stipulated time frame?

Joe Holdings Berhad (AGM)	1. Administrative expenses increased significantly to RM15.2 million (FYE2022: 5.2 million) almost 3 times of last year. (page 53 of AR2023) What are the reasons for the huge increase in administrative expenses? What comprises the administrative expenses? 2. Based on JOE's reply letter dated 13 September 2022 to MSWG's question 6 raised in the previous AGM, has the Group received the balance of RM5.08 million refundable deposit monies from Company A?
SDS Group Berhad (AGM)	The pandemic has allowed SDS to realign its wholesale segment strategies. Key business decisions involving new distribution centres, widening of product offerings, pricing, expansion in fleet size as well as sales planning and route management have all been undertaken, which has contributed to better revenue performance. (page 17 of Annual Report (AR) 2023) a) How many new distribution centres do you plan to open in FY2024? b) What was your delivery fleet size at end-FY2023 compared to end-FY2022? c) What was the total production capacity and average utilisation rate for your Seremban and Kempas manufacturing plants respectively in FY2023? d) What is the outlook for the wholesale segment over the next 12 months?
Mytech Group Berhad (AGM)	<u>Manufacturing Segment/Division</u> During the year, this division experienced reduced orders from some major customers due to lower demand of their goods, in addition to overstocking from past orders (Page 6 of AR2023). The segment recorded a revenue of RM8,227,455 (FY2022: RM10,011,492), and a profit of RM889,340 (FY2022: RM1,755,583). These represent a year-on-year decline in the segment revenue and profit (Pages 99-100 of AR2023). The Group's key focus area for the manufacturing segment will be to invest in new machineries with latest technologies to further strengthen its market share to various customers' designs and maintain quality excellence of its products (Page 7 of AR2023). a) How does the Board plan to address the financial performance of this segment? b) Is the abovementioned reduced orders' issue expected to remain in FY2024? If so, what are the Board's strategies to manage this problem? c) How much funds have been set aside for the investment in new machineries with latest technologies? What is the budget requirement for this investment in the next two financial years?

	d) What is the current and expected capacity utilisation rate for the Segment's factory in FY2024?
YGL Convergence Berhad (AGM)	The software implementation segment recorded a net loss of RM0.86 million in FY2023 (FY2022: RM0.16 million) on the back of a 6.3% decline in revenue to RM5.23 million. YGL invested RM1.04 million in R&D expenditure in FY2023 compared to RM1.31 million in FY2022. (page 17 of Annual Report (AR) 2023) a) What were the reasons for the lower revenue in FY2023? b) What is the current billables for the software implementation segment? c) What is the outlook for FY2024? d) What is the budgeted R&D expenditure for FY2024?
ATA IMS Berhad (AGM)	In response to the changing landscape, ATA has been continuously implementing downsizing and cost-cutting measures since the end of the previous financial year. These measures encompass reducing production capacity, divesting excess assets, discontinuing rented factories, optimising the workforce and stock holdings, and implementing staff reassignments to enhance efficiency (page 6 of AR2023). a) Are there plans to implement additional or more significant measures in FY2024? If so, please provide further details. b) What is ATA's current production capacity and utilisation rate? c) Given the downsizing and reduced production capacity, how well-prepared is ATA to manage new orders if the company secures a significant customer (as with Dyson previously)? What would be the estimated timeframe for ATA to scale up its production capacity to accommodate such a substantial new customer, should one be acquired?
Kumpulan Fima Berhad (AGM)	4,375ha of the Group's oil palm plantation has an age profile of more than 19 years, a significant jump from 2,200ha in the previous year. The Group has not carried out any replanting for the past 5 years. Does the Group intend to carry out replanting in the foreseeable future? If so, what is the acreage to be replanted, and what is the budgeted amount to be incurred for the replanting exercise?
Green Packet Berhad (AGM)	In assessing the adequacy and effectiveness of the system of internal control and financial control procedures of the Group, the AC reports to the Board on its activities, significant audit findings and the necessary recommendations or actions needed to be taken by Management to rectify those issues. The fees incurred by the Group in respect of the financial period ended 31 March 2023 was RM12,000 (page 59 of AR 2023) Given such low internal audit fees (RM1,000 per month), how did the Audit Committee assure itself that there would be adequate coverage and an effective audit function? What were the areas

	of audit coverage for the financial year? How many audit reports were issued for the financial year?
Auro Holdings Berhad (AGM)	In FYE2023, Auro recorded another gross loss of RM2,312,987 (FYE2022: Gross loss of RM2,907,358) when its cost of sales of RM4,940,3086 was higher than the revenue of RM2,627,321 (Page 41 of AR2023). a) Why did the Group incur another gross loss in FYE2023? What has made the cost of sales higher than the revenue? b) What are the steps taken by the Board to address the above issue? When does the Group expect its business to record a gross profit?
QL Resources Berhad (AGM)	Overall, the Marine Products Manufacturing ("MPM") business pillar will face higher operational costs from labour and fuel prices with the added pressure from the electricity surcharge which came into effect in January 2023 in Malaysia. (page 19 of AR2023) Given that MPM will face higher operational costs from labour and fuel prices, has the Group raised its marine-based product prices since January 2023? Or are there plans to pass the increased cost to customers by increasing product prices going forward? If yes, by how much in terms of percentage?
Panasonic Manufacturing Makaysia Berhad (AGM)	The Company is strategically broadening core business offerings through new products and export markets, while actively pursuing new business investments, in response to the loss in contribution from the termination of the rice cooker and small kitchen appliances segments (page 6 of AR2023). What is the Company's anticipated timeline or target for recuperating the lost revenue resulting from the termination of the rice cooker and small kitchen appliances segments?
Solarvest Holdings Berhad (AGM)	"Our goal is to drive the adoption of PowerBee by installing 10,000 EV chargers across Malaysia by 2030, establishing a robust charging infrastructure throughout the country" (page 31 of Annual Report 2023). a) How many EV charges have been installed by the group as at end-FY2023? b) How many EV charges are targeted to be installed in FY2024 and how much is the allocated capex? c) When does the Board expect the EV charging business to start contributing positively to the group's earnings?
Xin Hwa Holdings Berhad (AGM)	The transportation and storage subsector is expected to experience a slower pace of growth compared to the previous year, primarily attributable to the strong growth achieved in 2022. Nevertheless, it is still projected to exhibit commendable expansion of 7.0% in 2023, as forecasted by the Ministry of Finance. The acceleration of infrastructure projects serves as a positive impetus for the industry. (page 13 of Annual Report 2023). In FY2023, the Group reported a loss after tax attributable to owner of the company of RM16.1m as the bottomline was impacted by higher financing costs, depreciation, operating and administrative expenses, and additional impairment of trade

	receivables, as well as impairment of property, plant and equipment of an Indonesian subsidiary. a) With a projected 7.0% growth for the transportation and storage subsector, does the Board expect an improvement in the Group's financial performance, or even a turnaround in FY2024? b) What are the reasons for the net impairment of trade receivables of RM3.339m?
Matrix Concepts Holdings Berhad (AGM)	To further reinforce the Group's long-term growth strategy, the Group has entered into a Sale & Purchase Agreement to acquire 1,382 acres in Negeri Sembilan with completion expected in year 2024. (Page 31 of IAR) a) How does the Company plan to fund the RM460 million acquisition? b) What is the projected net gearing ratio of the Group resulting from the acquisition of the land if it is funded by debts? c) What is the expected Gross Development Value of the acquired land? d) Will there be any delay on the completion date of the acquisition? If yes, when is the new completion date.
WCE Holdings Berhad (AGM)	At the 21st AGM of the Company, the Board expected full site possession for the West Coast Expressway (WCE) project by the end of 2022. What is the current status of land acquisition? When is the land acquisition expected to be fully completed?
FCW Holdings Berhad (AGM)	FCW is expanding its production capacity and efficiency by investing in automated machineries such as an 8-nozzle automatic paste type filling machine, and an automatic liquid packing machine. Investment in new equipment and machines will enable FCW to offer new products and services to new customers and markets (Page 17 of 2023AR). a) How much funds have been spent and is to be spent for the investment in machineries in the next two financial years? b) What is the current production capacity and targeted expanded capacity in the next two financial years? c) What is the current and expected capacity utilisation rate for the Group's factories in FY2024? d) What sort of new products does FCW intend to offer to new customers and markets? When does FCW expect these new products to be ready for the targeted markets?

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DISCLOSURE OF INTERESTS

• *With regard to the companies mentioned, MSWG holds a minimum number of shares in all* the companies covered in this newsletter.

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