

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 20 - 24 FEBRUARY 2023

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 20 - 24 February 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
WCE Holdings Berhad	<p>The RAM Ratings report of West Coast Expressway's guaranteed sukuk published on 3 Nov 2022 stated that the full completion of the West Coast Expressway ("WCE") was targeted for 14 March 2025. Separately, Sin Chew's article dated 6 December 2022 quoted YB Tuan IR Izham bin Hashim, the Chairman of Selangor State Infrastructure and Public Amenities, Agriculture Modernisation, and Agro-Based Industry Committee saying WCE would be fully operational in 2025. However, on page 10 of the Circular to Shareholders dated 31 January 2023, it states that the full completion of the WCE Project is expected to be in year 2024.</p> <p>Please clarify the expected completion date of WCE project.</p>
CEKD Berhad	<p>The Group currently has seven manufacturing operations, of which five factories are in Kuala Lumpur and two factories are in Penang. In FY2022, CEKD acquired a new factory to expand its capacity and has commenced operation in December 2022. (Page 2 of Annual Report (AR) 2022)</p> <p>(a) What was the total production capacity and average utilisation rate for your six factories in FY2022?</p> <p>(b) What is the total production capacity after the commencement of the seventh factory in December 2022? When do you expect this factory to be profitable and run at optimal capacity?</p> <p>(c) Who are your closest competitors in Malaysia and what are your competitive advantages against them?</p>
Melati Ehsan Holdings Berhad	<p>The Group's finance costs increased sharply to RM2,056,902 in FY2022 from RM30,160 in FY2021 (Page 44 of the Annual Report 2022).</p> <p>Does the Group expect the finance cost to remain at the same level or higher in FY2023? How does the Board intend to manage the finance costs, moving forward?</p>
Kuala Lumpur Kepong Berhad	<p>1. The Group's trade receivables written off increased to RM4.7 million (2021: RM45,000) and other receivables written off amounting to RM6.3 million (2021: Nil) (page 120 of AR2022).</p> <p>What comprises the trade receivables and other receivables that have been written off? What were the measures taken to recover the said amounts prior to them being written-off?</p> <p>2. Write down of inventories to net realisable value increased significantly to RM285.8 million (2021: RM34.8 million) (page 120 of AR2022).</p> <p>What were the major inventories that were subjected to such huge write down? Are the inventories written down still usable or saleable?</p>
Fiamma Holdings Berhad	<p>Fiamma's trading and services segment revenue increased by 9.1% to RM339.8 million in FY2022 from RM311.5 million a year ago. The increase was attributed to higher sales due to the lifting of pandemic-related restrictions and re-opening of the economy.</p> <p>(a) Did Fiamma implement any price-increases in FY2022? If yes, what was the average price increase in percentage terms, and was revenue growth in FY2022 attributable more to sales volume or price increases?</p> <p>(b) Which brands and products generated the most sales for the Group in FY2022 and which saw the highest growth?</p> <p>(c) The segment's pre-tax profit margin in FY2022 was lower at 15.7% compared to 17.8% a year ago. What is your outlook for profit margins in FY2023? Do you expect your profit margins to moderate or stabilize moving forward?</p>
Batu Kawan Berhad	<p>The Group expects the Industrial Chemical division to face some headwinds in FY2023 coming from raw material prices hikes and high energy cost. (Page 41 of AR2022)</p> <p>To what extent is the Group able to pass the increase in raw material prices and high energy cost to its customers?</p>
Wellcall Holdings Berhad	<p>The Group recorded a fairly consistent profit before tax ("PBT") of RM45 million for FYE 2022 as compared to PBT of RM46 million recorded in the corresponding period of the preceding financial year. Slightly lower PBT was achieved mainly arising from allowance for impairment loss on investment in an associate company.</p> <p>The associate company is involved principally in the business of manufacturing, marketing and sale of composite hose and fittings. Why is it making losses? What is the reason for the further allowance for impairment loss of investment in the associate company?</p>
EITA Resources Berhad	<p>Based on the current Order Book, TransSystem Continental Sdn. Bhd. ("TSC") will be busy with projects over the next few years, especially with three major contracts secured in 2022 from Tenaga Nasional Berhad and Sarawak Energy Berhad. Meanwhile, it will continue to bid for more projects to strengthen its position in the market. (Page 16 of AR 2022)</p> <p>(a) What is the total value of the three major contracts? When will these contracts expire? What is the Group's current total order book?</p> <p>(b) What is the total value of bids? What is the probable success rate?</p>