

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 24 - 28 OCTOBER 2022	
MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 24 - 28 October 2022. 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
Apollo Food Holdings Berhad(AGM)	The government has deferred the implementation of new rulings whereby the monthly salary threshold for employees' entitlement to overtime benefits to be raised from RM2,000 to RM4,000, and the number of weekly working hours to be reduced from 48 to 45, from 1 September 2022 to 1 January 2023. What would be the financial impact to the group for FY2022, on a pro-forma basis, assuming the rulings were implemented from the beginning of FY2022?
Nylex (Malaysia) Berhad (AGM)	During the financial year, the Company has completed the disposal of the entire assets and liabilities of the Company and distribution of the proceeds to the entitled shareholders of the Company. As at 31 May 2022, of the amount of RM50 million cash received, an amount of RM11.25 million was retained for the acquisition of new businesses (page 119 of AR 2022). Considering that the Group needs to embark on a regularisation exercise, would the amount of RM11.250 million be sufficient to succeed in its exercise? Does the Board and Management foresee the need for equity fund raising exercise in the near future?
Fibon Berhad (AGM)	FIBON is principally engaged in the manufacturing of advanced polymer matrix fibre composites for the manufacturing of FIBON® high-amperage insulators. The Group also specialises in the manufacturing and supplying of explosion-proof electrical switchboards and enclosures, and trading in copper busbars. (page 7 of AR 2022) a) Apart from the oil and gas segment, which other main business segments does the Group cater to? b) Is there acute competition in the Group's main business? What competitive advantages does the Group have over its peers?
KUB Malaysia Berhad (AGM)	On 15 June 2022, KUB Sepadu Sdn Bhd (KUBS), a 60%-owned subsidiary of KUB Malaysia was served a winding-up order by the minority shareholders of KUBS. The winding-up petition was filed in the Court against KUBS by its minority shareholders back in November 2019. Following the order granted on 15 June, KUB Malaysia has lost control over KUBS. Subsequently, KUBS' financial position had been deconsolidated from the Group. Currently, KUBS is classified as an associate company of KUB. On 17 June 2022, KUB filed an application for a stay of execution of the winding up order (Stay Application) as well as a Notice of Appeal (Winding Up Appeal). On 30 September 2022, the Court dismissed KUB's Stay Application. With the decision, KUB filed an appeal to the Court of Appeal to set aside the decision granted by the Court on 30 September 2022 (the Stay Appeal). KUBS is a key operating subsidiary of KUB Malaysia involved in the operation of two oil palm estates totalling 4,616 hectares in Mukah, Sarawak. The oil palm business was the largest profit contributor to the Group in FY2022, with a net profit of RM18.52 million. (Referring to pages 20 and 153 of AR2022) a) The dismissal of KUB's Stay Application on KUBS by the Court is another legal setback for the Company. Nevertheless, KUB is still hopeful of realising KUBS's financial results in full through the equity accounting method moving forward. What are the remaining legal resorts for KUB to stop KUBS from being wound up? b) What is the likelihood of KUBS being liquidated eventually as per the court order? c) What is the current operating status of KUBS? Has the liquidator initiated any action to wind up KUBS? d) With the legal setbacks experienced, would the Group continue to carry out the planned initiatives to upgrade the oil palm estates and replant old and low-yielding oil palm in FY2023 (page 20 of AR2022)? e) The accounting treatment relating to the investment in KUBS is one of the key audit matters stated in the Independent Auditor's Report (pages 57 - 60 of AR2022). Has the external auditor Deloitte PLT's view on this matter changed after the latest development dated 30 September?
Pensonic Holdings Berhad(AGM)	The Group intends to enhance the efficiency of its existing manufacturing activities and increase its manufacturing capacity to cater for future business growth. (Page 10 of AR 2022) a) What is the planned capex for this expansion plan? How much will be the increase in production capacity? b) What was the manufacturing capacity and utilization rate in FY2022? What is the targeted utilization rate in FY2023?