

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

New Straits Times, Business Times – 27 February 2024 Part 2

MSWG AGM/EGM WEEKLY WATCH **26 FEBRUARY – 1 MARCH 2024**

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 26 February – 1 March 2024.

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
Scanwolf Corporation Berhad (EGM)	<p>In conjunction with the Proposed ESS, Scanwolf wishes to seek shareholders' approval for an express waiver of their pre-emptive rights to be offered any new Scanwolf shares arising from the issuance of new Scanwolf shares to be issued pursuant to the Proposed ESS under Section 85 of Companies Act 2016 and Clause 57 of Scanwolf's Constitution (page 16 of the Circular dated 8 February 2024).</p> <p>Why was no distinct resolution tabled to waive pre-emptive rights, as this can be done concurrently when seeking shareholders' approval for the Proposed ESS?</p>
KUB Malaysia Berhad (EGM)	<p>Based on the Annual Report 2023, the Group reported net cash and bank balances less borrowings of RM364.5 million and had a low gearing ratio of 0.08 as at 30 June 2023, following the divestment of Kluang plantation asset in FPE 2021. The Group also generated a positive cash flow of RM14.1 million in FYE 2023.</p> <p>Why KUB did not utilise its available cash and bank balance or bank borrowings (or combination of both) to settle the Purchase Considerations instead of issuing Consideration RCPS at the expense of dilution to shareholding of the minority shareholders when the Consideration RCPS holders opt to convert their Consideration RCPS into new KUB Shares?</p>
CEKD Berhad (AGM)	<p>Despite recording a 6.9% increase in revenue to RM32.6 million in FY2023, profit before tax (PBT) fell 7.2% to RM6.8 million. The lower PBT was mainly due to one-off expenses incurred relating to the consolidation of Hotstar's factory operations as well as higher professional fees and stamp duties incurred for the acquisitions of Worldwide and Kit Technology. (page 12 of Annual Report (AR) 2023)</p> <p>a) How much were the one-off expenses incurred for the factory consolidation?</p> <p>b) What was the Group's total capacity as of 31 August 2023?</p> <p>c) What is the Group's targeted revenue growth for FY2024?</p> <p>d) What is the budgeted capex for FY2024?</p>
Notion VTEC Berhad (AGM)	<p>1. The HDD segment has been impacted by reduced orders, but the Group is expecting a steady recovery in this sector in FYE2024 (page 11 of AR2023).</p> <p>a) How is the order visibility in the HDD segment? Are there any substantial orders in the pipeline?</p> <p>b) What are the financial targets or expectations for this segment in FYE2024? How does the Group plan to mitigate the risk of prolonged setbacks in the HDD market?</p> <p>2. The past due trade receivables of more than 120 days stood at RM4.4 million (FYE2023), a significant rise from RM1.1 million in FYE2022 (page 100 of AR2023).</p> <p>a) What were the challenges for the Group to collect the trade receivables that were past due of more than 120 days as the outstanding amount increased?</p> <p>b) What is the profile of the customers? To-date, how much of the overdue amount has been collected?</p>
Mtouche Technology Berhad (AGM)	<p>Impairment losses on intangible assets (software license, intellectual property and development cost) increased substantially from RM4.12 million to RM43.99 million (page 112 of AR 2023).</p> <p>What are the main reasons for the substantial impairment charges for each item under the intangible assets? For each item, what is the likelihood of reversal or recoverability, where applicable, in FY2024?</p>