

## MINORITY SHAREHOLDERS WATCH GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

(Incorporated in Malaysia – Registration No.: 200001022382 (524989-M))

New Straits Times, Business Times – Monday, May 30, 2022

### MSWG AGM/EGM WEEKLY WATCH 30 MAY - 3 JUNE 2022

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 30 May - 3 June 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](http://www.mswg.org.my)

*One of the points of interest to be raised:*

Company	Points/Issues to Be Raised
<b>Spritzer Bhd (AGM)</b>	<p>Spritzer has purchased 1,227.6 acres of land located in Trong, Perak for RM76 million for the expansion of an additional mineral water plant.</p> <p>The acquisition is now pending the approval of the Estate Land Board for the transfer of property from Trong Oil Palm Estates Sdn Bhd to Spritzer.</p> <p>a) When does the Company expect to complete the transaction?</p> <p>b) Based on current supply and demand dynamics of your products, is the Group ready to embark on setting up the new plant in the near term?</p> <p>c) Please elaborate on the expansion plan in terms of capital expenditure, timeline, capacity etc.</p>
<b>Pegasus Heights Berhad (AGM)</b>	<p>The flash floods in the last quarter of 2020 which resulted in the closure of the mall for rectification work until the end of February 2021. (Page 4 of AR)</p> <p>a) Was the flood covered by the Company's insurance policy?</p> <p>b) What is the value of the rectification work?</p> <p>c) What is the amount of rectification work claimable from the insurance company?</p>
<b>Syarikat Takatul Malaysia Keluarga Berhad (AGM)</b>	<p>Following a few major natural catastrophes that took place in Malaysia, insurers were reported to have incurred monetary losses from their underwriting activities.</p> <p>a) What was the size of the insurance payout by STMKB due to natural disasters in FY2021?</p> <p>b) Has the insurer incurred monetary losses from these underwriting activities? If yes, what was the size of losses incurred?</p> <p>c) Does STMKB face increasing insurance payout over the years due to the occurrence of natural disasters? How has the pricing and coverage changed over the years?</p> <p>d) Does STMKB expect any significant impact from climate events on its underwriting performance, especially with the frequent occurrence of floods in Peninsular Malaysia recently?</p> <p>e) From STMKB's point of view, what are the opportunities and risks to insurers due to climate events? How does the Group capture such opportunities and contain its associated risks when it comes to family and general takatul businesses?</p>
<b>Techna-X Berhad (AGM)</b>	<p>The Group's trade receivables increased by RM31.2 million or 2836% from RM1.1 million in FY 2020 to RM 32.3 million FY2021. (Page 120 of AR)</p> <p>The increase in trade receivables was brought by the acquisition of new businesses, namely the energy storage solutions, technology-driven F&amp;B, other technology and digital transformation enabler in FY 2020.</p> <p>a) Please provide the amount of trade receivables from each of the new business segment mentioned above for FYE 2021.</p> <p>b) How much of the trade receivables from each of the new business segment have exceeded the normal credit period?</p> <p>c) How much of the outstanding trade receivables have been collected from each of the business segment as at February 2022?</p>
<b>IHH Healthcare Berhad (AGM)</b>	<p>Trade receivables written off increased significantly from RM10.2 million in FYE 2020 to RM20.7 million in FYE 2021. (Page 164 of AR 2021)</p> <p>a) What were the reasons for the significant increase?</p> <p>b) Have the credit policies of the Company been reviewed to ensure only creditworthy customers be extended credit?</p> <p>c) Do you foresee a rise in trade receivables written off in FYE 2022 as the economy is still lethargic?</p>
<b>WZ Satu Berhad (AGM)</b>	<p>The OG Management is poised to diversify into renewable energy development works (i.e., solar, hydrogen &amp; hydro) via strategic collaborations with clients and reputed technology providers and/or DEMs (Page 17 of the Annual Report 2021).</p> <p>a) Does the Group have enough know-how to venture into the renewable energy development works?</p> <p>b) Is the Group currently in any serious discussion on any deal for the above-mentioned initiative?</p>



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<b>Comfort Gloves Berhad (AGM)</b>	<p>1. Group revenue increased by 46.9% from RM946.447 million in FYE 31 January 2021 to RM1,390.655 in FPE 31 December 2021. However, selling and marketing expenses rose significantly by 115.5 % from RM8,228 million to RM17,728 million and administrative expenses escalated by 295.9 % from RM33.433 million to RM132.373 million. (Page 59 of AR 2021)</p> <p>Why were there such significant increases in selling and marketing expenses and administrative expenses which did not commensurate with the increase in Group revenue?</p> <p>2. Impairment loss for Trade receivables amounted to RM3,221 million for FPE 31 December 2021 (FYE 31 January 2021: No impairment) and bad debt written off totalled RM1,102 million (FYE 31 January 2021: RM96,816). (Pages 90, 103 of AR 2021)</p> <p>Why were there significant increases in impairment loss and bad debt written off? What is the probability of recovering the impaired loss amount? Is there a need to review the credit risk management policies?</p> <p>3. For FPE 31 December 2021, inventories written down and written off totalled RM13,262 million and RM4,217 million respectively while there was no such write-down or write-off for FYE 31 January 2021. (Page 104 of AR 2021)</p> <p>Why was there such significant inventories write-down or write-off? What is the estimated amount that may be salvaged from the written down inventories? Is there a need to review the inventories management policies?</p>
<b>WZ Satu Berhad (EGM)</b>	<p>Proposed Diversification by WZ Satu Group in Property Development</p> <p>Pursuant to the Proposed Diversification, the Group will be subject to various business risks in property development industry, including competition from other property developers (Page 12 of the Circular).</p> <p>a) As a new player in property development, how does the Board plan to address the competition risk, especially from experienced property developers?</p> <p>b) What are the Group's competitive advantages over peers in the market?</p>
<b>Eversendai Corporation Berhad (AGM)</b>	<p>In FY2021, the Group recorded a net impairment loss of contract assets of RM35,374,000 (FY2020: RM516,000) (Pages 49-50 of the Audited Financial Statement 2021).</p> <p>a) What are the reasons for the substantial increase in impairment on contract assets?</p> <p>b) What are the measures taken to recover the amount?</p> <p>c) What is the amount recovered, to-date?</p> <p>d) Given the substantial increase in impairment, is there a need to review the credit policy of the Group?</p>
<b>Genting Malaysia Berhad (AGM)</b>	<p>The Group's financial performance in FY2021 reflected the impact of a combination of various travel restrictions and the prolonged temporary closure of the Group's properties, particularly in Malaysia and the United Kingdom ("UK"). Nevertheless, strategic changes implemented in previous years, including a recalibrated cost structure and re-engineered processes, have enabled the Group to work with greater agility as the Group navigates through the uncertainties. (page 3 of AR 2021)</p> <p>What are the major recalibrated cost structures and re-engineered processes and how have these contributed to the Group?</p>
<b>Genting Berhad (AGM)</b>	<p>The downstream manufacturing business faced a challenging year as the bullish palm oil prices resulted in unfavourable palm oil-gas oil spread that impacted the export sales of biodiesel products. Despite lower sales volume, higher margins were recorded as a result of stronger selling prices achieved for glycerine, a by-product of biodiesel. (page 6 of AR 2021)</p> <p>a) To what extent has the Group been affected by lower export sales of biodiesel products?</p> <p>b) Is the stronger glycerine selling prices sustainable in FY 2022 and going forward?</p>