

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

New Straits Times, Business Times – Tuesday, 29 August 2023 Part 3

## MSWG AGM/EGM WEEKLY WATCH

### 26 AUGUST - 1 SEPTEMBER 2023

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 26 August 2023 to 1 September 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](http://www.mswg.org.my).

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

Company	Points/Issues to Be Raised
<b>ACME Holdings Berhad (AGM)</b>	<p>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)</p> <p>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)</p> <p>a) Please name the substantial shareholder of the company that relates to Pelana Tenggara.</p> <p>b) To which of the Company's property project does the LAD relate to?</p> <p>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?</p> <p>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)</p> <p>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?</p>
<b>Joe Holdings Berhad (AGM)</b>	<p>1. Administrative expenses increased significantly to RM15.2 million (FY2022: 5.2 million) almost 3 times of last year. (page 53 of AR2023)</p> <p>What are the reasons for the huge increase in administrative expenses? What comprises the administrative expenses?</p> <p>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?</p>
<b>SDS Group Berhad (AGM)</b>	<p>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)</p> <p>a) How many new distribution centres do you plan to open in FY2024?</p> <p>b) What was your delivery fleet size at end-FY2023 compared to end-FY2022?</p> <p>c) What was the total production capacity and average utilisation rate for your Seremban and Kempas manufacturing plants respectively in FY2023?</p> <p>d) What is the outlook for the wholesale segment over the next 12 months?</p>
<b>Mytech Group Berhad (AGM)</b>	<p><u>Manufacturing Segment/Division</u></p> <p>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).</p> <p>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).</p> <p>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).</p> <p>a) How does the Board plan to address the financial performance of this segment?</p> <p>b) Is the abovementioned reduced orders' issue expected to remain in FY2024? If so, what are the Board's strategies to manage this problem?</p> <p>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?</p> <p>d) What is the current and expected capacity utilisation rate for the Segment's factory in FY2024?</p>
<b>YGL Convergence Berhad (AGM)</b>	<p>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&amp;D expenditure in FY2023 compared to RM1.31 million in FY2022. (page 17 of Annual Report (AR) 2023)</p> <p>a) What were the reasons for the lower revenue in FY2023?</p> <p>b) What is the current billables for the software implementation segment?</p> <p>c) What is the outlook for FY2024?</p> <p>d) What is the budgeted R&amp;D expenditure for FY2024?</p>
<b>FCW Holdings Berhad (AGM)</b>	<p>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).</p> <p>a) How much funds have been spent and is to be spent for the investment in machineries in the next two financial years?</p> <p>b) What is the current production capacity and targeted expanded capacity in the next two financial years?</p> <p>c) What is the current and expected capacity utilisation rate for the Group's factories in FY2024?</p> <p>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?</p>



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Company	Points/Issues to Be Raised
<b>ATA IMS Berhad (AGM)</b>	<p>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).</p> <p>a) Are there plans to implement additional or more significant measures in FY2024? If so, please provide further details.</p> <p>b) What is ATA's current production capacity and utilisation rate?</p> <p>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?</p>
<b>Kumpulan Fima Berhad (AGM)</b>	<p>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?</p>
<b>Green Packet Berhad (AGM)</b>	<p>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).</p> <p>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?</p>
<b>Auro Holdings Berhad (AGM)</b>	<p>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).</p> <p>a) Why did the Group incur another gross loss in FYE2023? What has made the cost of sales higher than the revenue?</p> <p>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?</p>
<b>QL Resources Berhad (AGM)</b>	<p>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)</p> <p>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?</p>
<b>Panasonic Manufacturing Malaysia Berhad (AGM)</b>	<p>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).</p> <p>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?</p>
<b>Solarvest Holdings Berhad (AGM)</b>	<p>"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).</p> <p>a) How many EV charges have been installed by the group as at end-FY2023?</p> <p>b) How many EV charges are targeted to be installed in FY2024 and how much is the allocated capex?</p> <p>c) When does the Board expect the EV charging business to start contributing positively to the group's earnings?</p>
<b>Matrix Concepts Holdings Berhad (AGM)</b>	<p>To further reinforce the Group's long-term growth strategy, the Group has entered into a Sale &amp; Purchase Agreement to acquire 1,382 acres in Negeri Sembilan with completion expected in year 2024. (Page 31 of IAR)</p> <p>a) How does the Company plan to fund the RM460 million acquisition?</p> <p>b) What is the projected net gearing ratio of the Group resulting from the acquisition of the land if it is funded by debts?</p> <p>c) What is the expected Gross Development Value of the acquired land?</p> <p>d) Will there be any delay on the completion date of the acquisition? If yes, when is the new completion date.</p>