



The Observer

24.05.2024

❖ P.I.E Industrial's disclosure of order wins draws scrutiny

Shareholders who attended the recently concluded AGM of P.I.E Industrial Berhad (PIE) were likely buoyed by the record-high share price and substantial orders the company recently secured.

Since April 2024, PIE's share prices have consistently tested new highs, especially after Kenanga Research highlighted sizeable orders from two clients. In a report dated 18 April 2024, Kenanga Research revealed that a new AI server client would fully occupy PIE's largest facility, Plant 6, which spans 280,000 square feet. Meanwhile, another customer would occupy Plant 5, with a total capacity of approximately 100,000 sq ft.

KEY HIGHLIGHTS

- Recent developments in P.I.E Industrial raised several pertinent questions about its disclosure of material information.
- Notably, its share prices surged by 47% within the three days preceding its announcement of major order wins. Additionally, the disclosure of contract values has drawn scrutiny, as these figures were provided to the press before being officially announced.

With this in mind, the research house raised PIE's FY2025 net profit forecast by 10% to account for higher contributions from the new customer. Concurrently, Kenanga Research also raised its target price on PIE by 69% to RM6.75 from RM4.00.

Further fuelling the optimism was an article published by The Edge¹ at 8 a.m. on 19 April, quoting the group managing director Alvin Mui as stating that PIE expects the new customer to contribute an additional RM2.5 billion in revenue to the Group for FY2025 and FY2026.

"This customer should contribute about RM1 billion in revenue for 2025 and RM1.5 billion in revenue for 2026. It should represent more than 50% of the group's total revenue. We are optimistic of achieving RM2 billion (total) revenue in 2025," Mui told the Financial Daily.

Interestingly, these lucrative contract figures were not disclosed by PIE until 23 April - three days after its initial announcement on 19 April. In its 23 April filing, PIE said the

¹ PIE Industrial confirms bagging new client, expects additional RM2.5 bil revenue, published on 19 April 2024, [theedgema.com](https://www.theedgema.com)

expected revenue for FY2025 and FY2026 would be RM1 billion and RM1.5 billion, respectively.

Points of contention

The above chain of events raised several pertinent questions about PIE's timely disclosure of material information.

Firstly, from 31 March to 18 April 2024, PIE's share price surged by a staggering 56%, from RM3.56 to RM5.57. The most significant increase occurred just days before the 19 April announcement to Bursa Malaysia - from 16 April to 18 April 2024 - when the share price soared 47%, from RM3.80 to RM5.57.

Moreover, PIE confirmed in its 19 April 2024 filing to the Stock Exchange that the Group secured its customer on 31 March 2024. If so, why did it take the Group more than two weeks to announce this material information to the public?

Secondly, given that PIE disclosed the expected revenue to *The Edge* on 19 April (i.e. the projected revenue of RM1 billion and RM1.5 billion for FY2025 and FY2026, respectively), why did it not include these figures in its 19 April announcement? Instead, the Company disclosed the numbers four days later, on 23 April.

Under Paragraph 9.03 (1) and (2) of Chapter 9 – Continuing Disclosure, Main Market Listing Requirements (MMLR) -

(1) A listed issuer must make immediate public disclosure of any material information, except as set out in paragraph 9.05 of MMLR.

(2) Information is considered material if it is reasonably expected to have a material effect on –

(a) the price, value or market activity of any of the listed issuer's securities; or

(b) the decision of a holder of securities of the listed issuer or an investor in determining his choice of action.

In Paragraph 9.04 (b), MMLR provides examples of events which may require immediate disclosure by a listed issuer, such as the acquisition or loss of a contract, franchise or distributorship rights.

PIE's responses

In all fairness, MSWG has sought the Board's responses in its AGM held on 17 May to listen to its side of the story.

PIE explained that Plant 6, which caters for the new client, is in the construction phase with pilot production by the end of 2024. As this would not have a material impact on FY2024 financials, it had not made an announcement "*until overall progress is more matured*".

"However, our company secretary received a call from Bursa Malaysia on 19 April 2024, required us to make an announcement regarding the new customer following the significant increase of company share price on 18 April 2024," said PIE in a reply to MSWG dated 17 May 2024.

Secondly, the firm added that “*further announcement (dated 23 April) on expected revenue for FY2025 and FY2026 is specifically required by Bursa Malaysia to further complement the announcement made on 19 April 2024*”.

Our thoughts

MSWG has always maintained that disseminating timely material information is essential to a vibrant and transparent capital market.

Failure to disclose such material information promptly creates an opportunity for insiders to engage in insider trading, resulting in an uneven playing field. Such unlevel playing fields are detrimental to minority shareholders who, more often than not, are the last to learn of the price-sensitive material information.

We are uncertain if its board of directors has intervened to advise management to ensure such information is announced immediately. If they did, it is unclear why management has not heeded their advice.

In summary, PIE's recent share price performance has been remarkable. The counter recorded an impressive gain of 65.73% for the period between 1 April and 23 April. As of 23 May, PIE reached a new high of RM6.23, surpassing the previous high of RM6.18 on 9 May.

By MSWG team

MSWG AGM/EGM Weekly Watch 27 – 31 May 2024

For this week, the following are the AGMs/EGMs of companies in the Minority Shareholders Watch Group's (MSWG) watch list.

The summary of points of interest is highlighted here, while the details of the questions to the companies can be obtained via MSWG's website at www.mswg.org.my.

Points of interest:	
Company	Points/Issues to Be Raised
Dayang Enterprise Holdings Berhad (AGM)	<p>During the financial year under review, there was a total of 6,467.75 megawatt hour (“MWh”) of energy consumption, of which 3,808.29 MWh is from fuel and 2,659.46 MWh is from electricity usage.</p> <p>The diesel and petrol energy consumption were 3,736.65 MWh and 71.64 MWh respectively, (Page 49 of AR)</p> <p>How would the Group plan to reduce diesel and energy consumptions in the future as these two sources of energy are emitters of greenhouse gas (“GHG”) emissions?</p>
Star Media Group Berhad (AGM)	<p>“Our strategy hinged on a dual commitment – addressing customer needs and fortifying our financial performance. As we navigated the transition into digital media, we were relentless in our pursuit to deliver products and services</p>

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	<p>that aligned with customers' expectations. We adapted to market trends through continuous improvements while safeguarding the stakeholders' interests" (Page 24 of Annual Report 2023 "AR2023")</p> <p>The revenue and profit before tax for the Print, Digital and Events segment for the past three financial years are set out as follows:</p> <table border="1"> <thead> <tr> <th>RM'000</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>162,293</td> <td>184,860</td> <td>184,143</td> </tr> <tr> <td>(Loss)/ profit before tax</td> <td>(152,081) *</td> <td>4,474</td> <td>(1,254)</td> </tr> </tbody> </table> <p><i>*A sum of loss before tax for two segments: (i) Print and digital; and (ii) Event and exhibition</i></p> <p>How effective is the Company's strategy to enhance its digital content monetisation in offsetting the decline in print advertising revenues, considering the results for Print, Digital and Events segments?</p>	RM'000	FY 2021	FY 2022	FY 2023	Revenue	162,293	184,860	184,143	(Loss)/ profit before tax	(152,081) *	4,474	(1,254)
RM'000	FY 2021	FY 2022	FY 2023										
Revenue	162,293	184,860	184,143										
(Loss)/ profit before tax	(152,081) *	4,474	(1,254)										
D & O Green Technologies Berhad (AGM)	<p>D&O has applied Practice 4.4 of the Malaysian Code on Corporate Governance (MCCG), which states that performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities. (page 30-31 of Corporate Governance Report 2023)</p> <p>a) What was the weightage of sustainability-related KPIs (by percentage) compared to operational and financial metrics in the overall evaluation of the Board and senior management?</p> <p>b) How did the Board and senior management perform in relation to these metrics?</p> <p>c) Which areas require more focus and attention from the Board and senior management?</p>												
Comfort Gloves Berhad (AGM)	<p>"According to the 12th Malaysia plan, Malaysia has set a target in rebuilding a resilient economy for a prosperous, inclusive, and sustainable country by 2025. This is to be achieved in a manner that includes being resilient, low-carbon use and resource-efficient. These can be attained with the help of green growth, which CGB has already begun to do." (Page 22 of AR2023)</p> <p>a) What are the major sustainability risks facing the Group's operations? How does the Group plan to mitigate these sustainability risks?</p>												

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	Regarding low-carbon use and in line with the national target, what are the Group's major KPIs and targets for 2023? What have been the achievements to date?
CelcomDIGI Berhad (AGM)	<p>In response to climate and environmental risks, the Company is committed to achieving Carbon Neutrality by 2030 and Net Zero by 2050, in alignment with the Science Based Target Initiative (SBTi) (Page 34 of AR2023)</p> <p>What are the potential challenges or obstacles that CelcomDigi foresees in meeting its Carbon Neutral by 2030 target, and if so, what mitigation strategies are in place?</p>
Kumpulan Perangsang Selangor Berhad (AGM)	<p>The current Board composition lacks diversity, having only two female Directors, constituting a mere 25% of the entirety. This falls short of the suggested 30% benchmark in Practice 5.9 of the Malaysian Code of Corporate Governance (MCCG), which underscores the significance of substantial women representation (page 42 of Corporate Governance (CG) Report 2023).</p> <p>Considering the current Board's limited diversity, are efforts underway to identify fitting female candidates for an impending Director role? If so, when is the expected timeline for achieving this objective?</p>
Ta Ann Holdings Berhad (AGM)	<p>Practice 5.9 of the Malaysian Code of Corporate Governance (MCCG) stipulates that 30% of the Board should comprise women. As of FY2023, there were two women directors, representing 25% of the total number of directors on the Board.</p> <p>What steps are being taken to achieve a 30% women representation on the Board as stipulated by the MCCG? What specific plans and strategies does the Board have in place to work towards this goal? And when do you expect to comply with Practice 5.9?</p>
Guan Chong Berhad (AGM)	<p>The Group's net gearing ratio has increased to a five-year high of 1.21 times in FY2023 from 0.68 times in FY2022. This was mainly due to the high cocoa bean prices.</p> <p>Does the Group expect this ratio to increase, maintain or decline in FY2024? What measures do you plan to take to mitigate current challenges?</p>
SIME Darby Plantation Berhad (AGM)	<p><u>Sustainability Matter</u> SD Plantation's disclosure on trends in confirmed fires and hotspots within 5km radius of estate boundaries increased significantly to 745 cases of confirmed fires (FY2022: 139 cases). (page 27 of SR2023)</p>

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	<p>a) What were the main causes of these fires within 5km radius of the estate boundaries?</p> <p>b) Climate change causes hotter days and heavier rain, which may lead to more fire incidents and floods. What are the Group's strategies to deal with the climate change effect on insurance premiums?</p> <p><u>Corporate Governance Matter</u> The Group has further strengthened its Board diversity, with 40% of the Board comprising women directors, up from 30% last year. (page 7 of AR2023)</p> <p>What benefits has the Board experienced from increased gender diversity among its members? How has the Board's performance been impacted in relation to these benefits?</p>
Dutch Lady Milk Industries Berhad (AGM)	<p>The Sustainability 2030 Roadmap outlines ambitious targets, such as a 30% reduction in carbon intensity and water intensity by 2030 against 2022 baseline, with the Group's transition to its new manufacturing facility DLMI@Enstek in 2023.</p> <p>a) What specific technology adoption at the new manufacturing facility in Enstek is expected to contribute to DLMI's sustainability goals?</p> <p>b) Please provide an overview of the Group's current energy portfolio, specifying the proportion of renewable energy sources compared to grid electricity. Has the Group established any specific targets and timelines for future energy mix objectives?</p>
Hengyuan Refining Company Berhad (AGM)	<p>The Group recorded a much lower revenue of RM15.4 billion in FY 2023 as compared to RM21.1 billion in FY 2022, a reduction of RM 5.7 billion or 27%.</p> <p>However, the manufacturing expenses increased by RM12.7 million or 6.9% from RM183.6 million in FY 2022 to RM 196.3 million in FY 2023. (Page95 of AR)</p> <p>a) Why did manufacturing expenses not move in tandem with the reduction in revenue?</p> <p>b) What were the reasons for the higher manufacturing expenses in FY 2023 as compared to FY 2022?</p> <p>c) What measures has the group taken to mitigate the increase in manufacturing expenses in FY 2024?</p>

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UOA Development Bhd (AGM)	<p>The Group's inventory of completed properties held for sales stood at RM1.0 billion in FY 2023 as compared to RM1.09 billion in FY 2022. (Page 117 of AR)</p> <p>a) Why the inventory of completed properties held for sales still hovers at elevated levels in FY 2022 and FY 2023 i.e., around RM1 billion each?</p> <p>b) Please provide the breakdown of the inventory of completed properties held for sales for commercial and residential as of FY 2023.</p> <p>c) What is the number of units and value of completed properties held for sales that were aged more than 1-2 years and more than 2 years?</p> <p>d) What measures the Group has taken to clear the inventory of completed properties held for sales. Are these measures successful in terms of units and values sold in the current year?</p>
IHH Healthcare Berhad (AGM)	<p>In terms of operational excellence, IHH has focused on establishing a robust framework to accurately measure and report on progress towards its goal of having 100% of A&E cases to be admitted within one hour of doctors' instructions in our core markets by 2025. In 2023, IHH established the baseline for this metric at 54.6%. (Page 25 of SR 2023)</p> <p>a) With 45.4% of A&E cases not meeting the stipulated target, what measures are currently in place to enhance prompt admission?</p> <p>b) Does the Group foresee any challenges in meeting this target by 2025?</p>
DRB-Hicom Berhad (AGM)	<p>The Malaysian Automotive Association anticipates a TIV of 740,000 units in 2024, a 7.47% reduction from 2023. It attributes this to a slowdown in consumer spending due to concerns over targeted subsidy rationalisation, high cost of living, proposed High Value Goods Tax, and higher service tax rate for selected services including vehicle repairs and maintenance. (page 41 of AR2023)</p> <p>a) To-date, to what extent has the Group experienced slowdown in consumer demand for the Group's vehicles?</p> <p>b) PROTON's partnership with smart Automobile Co., Ltd. to distribute the smart EV models in Malaysia and</p>

Points of interest:	
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	Thailand (page 20 of AR2023), how many smart EV does the Group target to distribute in FY2024?
Sealink International Berhad (AGM)	<p>The Group recorded a loss after tax (LAT) of RM1,740,810 in FY2023 compared to a LAT of RM20,174,901 in FY2022. This represents a positive variance of RM18,434,091 or 91.37% (Page 62 of the Annual Report 2023/AR2023).</p> <p>Considering the positive variance recorded in FY2023, what is the prospect of the Group's performance achieving a positive bottom-line result in the next two financial years? When does Sealink expect a turnaround in its bottom-line performance?</p>
Subur Tiasa Holdings Berhad (AGM)	<p>The finance costs of the Group escalated by 24% to RM25.7 million from RM20.8 million compared to the preceding year. Coupled with the reduced gross profit stemming from a decline in CPO prices, the interest coverage ratio notably declined to 0.76 from 4.28, indicating insufficient profit to meet interest obligations.</p> <p>Does the Group intend to restructure its debt or raise funds to mitigate liquidity risk and lower finance costs?</p>
GHL Systems Berhad (AGM)	<p>Revenue for the Shared Services segment grew by 2.2% YoY to RM133.4 million (2022: RM130.5 million) attributed to higher Electronic Data Capture (EDC) sales in Malaysia, which was offset by lower hardware sales in Thailand and a decline in rental revenue collected in Malaysia and the Philippines (page 12 of AR2023).</p> <p>a) How many units of EDC terminals were sold in Malaysia in FYE2023? How much higher was it compared to the previous year? What is the market share of the Group's EDC terminals in each country the Group operates in?</p> <p>b) What is the warranty period for EDC terminals before they enter maintenance mode? What is the annual maintenance fee for EDC terminals relative to their average selling price? Have there been any changes to the selling price of EDC terminals or maintenance fees since then?</p> <p>c) How much is the collected rental revenue in Malaysia and the Philippines in FYE2023, compared to FYE2022? Also, any anticipated trends for hardware sales in Thailand and rental revenue collection in Malaysia and the Philippines in FYE2024?</p>
Magnum Berhad (AGM)	<p>1. "Additionally, we introduced a conscious energy consumption programme to proactively reduce energy usage across all our offices nationwide. Furthermore, we initiated the installation of solar panels,</p>

Points of interest:	
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	<p>marking a significant step towards sustainable energy practices." (Page 10 of AR2023)</p> <p>What is the total annual savings on electricity bills resulting from the conscious energy consumption programme and the installation of solar panels?</p> <p>2. "Since 2022, we've been analysing climate-related risks and opportunities within high-ESG risk sectors that are significant to the Group. Through analysis of the value chain, we identified the impact that climate change would have on specific risk drivers and consequently, the impact that these climate-related risks and opportunities will have on Magnum and our customers." (Page 51 of AR 2023)</p> <p>What climate-related risks have been identified by the Group? What are the mitigating measures to be undertaken?</p>
Puncak Niaga Holdings Berhad (AGM)	<p>The Kuantan Project and Bunus Project experienced slow progress in FY 2023 due to the main contractor being issued an injunction order and delays in work permit approvals by local authorities. The Bunus Project has been granted the 6th Extension of Time (EOT) with the completion date extended until 11 July 2024, which is 6 years beyond the original completion date. The Group obtained EOT No. 4 for the Kuantan Project with the completion date extended until 26 June 2024, 2 years beyond the original completion date. (Pages 21, 26 & 27 of AR2023)</p> <p>The delay in the construction of the Kuantan Project and Bunus Project may result in ineffective resource allocation, project cost overrun, and ultimately operational loss. As the delay is not caused by the Group, has the Group requested compensation from the client or the main contractor to mitigate part of the losses?</p>
Hap Seng Consolidated Berhad (AGM)	<p>The Group has identified Emissions Management as one of the climate-related material sustainability matters. Despite not achieving the KPI in FY2023, the Group clarified that the increase in Group GHG intensity primarily resulted from changes in calculation methodology (Page 107 of AR2023).</p> <p>What would be the actual year-on-year performance if the FY2022 emissions had been recalculated using the same methodology applied in FY2023 emissions?</p>

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Pasdec Holdings Berhad (AGM)	<p>As reported on page 106 of AR2023, the Group has trade receivables of more than 91 days past due nor impaired, amounting to RM4,150,730. This represents 75.12% of the Group's trade receivables of RM5,525,814 as at 31 December 2023 (Page 105 of AR2023).</p> <p>Would the Board not be concerned with this sizeable trade receivables past due more than 91 days? What is the impact of the extended credit term on the cash flow of the Group? What are the measures taken to collect the amount?</p> <p>There is an impaired amount of RM3,855,589 (Page 106 of AR2023).</p> <p>Is the amount recoverable? If so, how much of the amount has been collected, to-date?</p>																
Parkson Holdings Berhad (AGM)	<p>During the financial year ended 31 December 2023, impairment charge of RM83,267,000 (2022: RM32,500,000) was recorded in the consolidated statement of profit or loss, considering that the relevant subsidiaries have been incurring losses and that it was not probable that profits will be available in the foreseeable future (page 145 of AR 2023).</p> <p>Which are the relevant subsidiaries and their types of businesses which have significant impairment charges? Is there a probability that further impairment charges may have to be made in FY 2024?</p>																
Malaysia Smelting Corporation Berhad (AGM)	<p>Total energy consumption has increased over the years, but renewable energy consumption has declined significantly. (page 36 of AR 2023)</p> <table border="1"> <thead> <tr> <th></th> <th>FY2021</th> <th>FY2022</th> <th>FY2023</th> </tr> </thead> <tbody> <tr> <td colspan="4">Energy Consumption (million kWh)</td> </tr> <tr> <td>Total energy consumption</td> <td>34.0</td> <td>43.3</td> <td>43.5</td> </tr> <tr> <td>Renewable energy consumption</td> <td>4.5</td> <td>1.3</td> <td>0.2</td> </tr> </tbody> </table> <p>Why did the Group discontinue its hydro power generation at its mining site in FY2023? What are the management's targets in terms of renewable energy consumption over the next three years or longer term?</p>		FY2021	FY2022	FY2023	Energy Consumption (million kWh)				Total energy consumption	34.0	43.3	43.5	Renewable energy consumption	4.5	1.3	0.2
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Tong Herr Resources Berhad (AGM)	<p>1. The Company departed from applying Practice 7.1 and 7.2 of the Malaysian Code on Corporate Governance (MCCG) as it does not have:</p>																

Points of interest:	
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	<ul style="list-style-type: none"> - Remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. - A remuneration Committee (RC) to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management. <p>Given the absence of an RC and remuneration policy, the Board will decide on the executive and non-executive directors' remuneration packages. The involved directors do not participate in the decision-making process of their remuneration packages.</p> <p>a) Why did Tong Herr not establish an RC to deliberate matters on directors' and senior management remuneration in a focused and targeted manner? What challenges hinder Tong Herr from establishing an RC and remuneration policy? When will the Group establish an RC and a formal remuneration policy?</p> <p>b) MCCG encourages an RC to consist of NEDs, and a majority of them must be independent directors.</p> <p>While the involved director will abstain from deliberation on their remuneration at the board level, how does the Board ensure the discussion remains impartial and objective, as the Board is predominantly led by non-independent directors (six out of nine directors), with five of them having ties of kinship?</p> <p>c) The current board composition of three out of nine directors is independent, which means Tong Herr departed from Practice 5.2 of MCCG that at least half of the board comprises independent directors.</p> <p>Therefore, the need for a majority of independent directors becomes even more imperative to prevent deliberations and decision-making from being dominated by a select group of individuals, such as family members.</p>

Points of interest:	
Company	Points/Issues to Be Raised
	<p>We urge the Company to apply Practice 5.2 of MCCG to foster greater objectivity and corporate governance in the boardroom.</p>
<p>Telekom Malaysia Berhad (AGM)</p>	<p>As part of the effort to reduce carbon emissions of its operations, Telekom intensified efforts towards energy efficiency including network modernisation. (Page 41 of IAR 2023)</p> <p>a) What is the anticipated total capex required for the modernisation of the networks?</p> <p>b) What percentage of the networks has been modernised to date?</p> <p>c) How substantial is the enhancement in energy efficiency within the network subsequent to modernisation?</p>
<p>Axiata Group Berhad (AGM)</p>	<p>Practice 5.9 of the of Malaysian Code on Corporate Governance (MCCG) stipulates that the Board comprises at least 30% women directors.</p> <p>As at 31 December 2022, the women Directors on Axiata Board comprised Dato Dr Nik Ramlah Nik Mahmood and Khoo Gaik Bee, which provided a women representation rate of 22% in a Board size of nine. (Page 39 of Corporate Governance Report 2022 "CG Report 2022")</p> <p>As at 31 December 2023, the women Directors on Axiata Board comprised Dato Dr Nik Ramlah Nik Mahmood, Khoo Gaik Bee and Maya Hari which provided a women representation rate of 27.27% in a Board size of eleven. (Page 40 of Corporate Governance Report 2023 "CG Report 2023")</p> <p>a) The Company has an additional female director on the Board as of 31 December 2023. What benefits has the Board experienced from increased gender diversity among its members? How has the Board's performance been impacted by these benefits?</p> <p>b) The Company has provided a similar timeframe in the CG Report 2022 and the CG Report 2023 regarding the appointment of additional female director: By 2025 or as soon as possible with the identification of suitable candidates that possess the necessary qualification and experience that meet the requirements set for a position on the Board.</p>

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	What challenges does the Company face in appointing a female director? How does the Company intend to overcome these challenges?											
Velesto Energy Berhad (AGM)	<p>Daily Charter Rates ("DCR") should remain or increase as marketed rig supply continues to decline even as demand ramps up. In addition, oil and gas companies are tendering for longer-term drilling contracts, signifying strong confidence in the expected increase of oil and gas consumption going forward. (Page 18 of IAR 2023)</p> <p>a) What were the main reasons for the rig supply to decline? How acute is the mismatch between supply and demand?</p> <p>b) Does the Management foresee the positive outlook to continue from FY 2024 into FY 2025?</p>											
Bumi Armada Berhad (AGM)	<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Group</th> </tr> <tr> <th>2023 RM'000</th> <th>2022 RM'000</th> </tr> </thead> <tbody> <tr> <td>Administrative expenses</td> <td>(138,792)</td> <td>(84,826)</td> </tr> <tr> <td>(Impairment)/Reversal of impairment - Property, plant and equipment</td> <td>(514,351)</td> <td>-</td> </tr> </tbody> </table> <p>(Page 138 of AR 2023)</p> <p>1. Despite lower Group revenue, why was there such a substantial increase in administrative expenses in FY 2023? Moving forward, would there be a significant optimisation of the expenses?</p> <p>2. What were the reasons for a substantial impairment of RM514.3 million on property, plant and equipment in FY 2023? What is the probability of further impairment or reversal in FY2024?</p>		Group		2023 RM'000	2022 RM'000	Administrative expenses	(138,792)	(84,826)	(Impairment)/Reversal of impairment - Property, plant and equipment	(514,351)	-
	Group											
	2023 RM'000	2022 RM'000										
Administrative expenses	(138,792)	(84,826)										
(Impairment)/Reversal of impairment - Property, plant and equipment	(514,351)	-										

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DISCLOSURE OF INTERESTS

•With regard to the companies mentioned, MSWG holds a minimum number of shares in all the companies covered in this newsletter.

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