



The Official Newsletter from MSWG Observer

FRIDAY | 4 OCTOBER 2024

REACHING GREATER HEIGHTS

The inaugural NACGSA assessment highlighted positive progress from Malaysian PLCs in adopting ESG practices. However, there remains significant scope for enhancing the quality of sustainability-related disclosures.

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NACGSA 2024: POSITIVE CG AND SUSTAINABILITY PRACTICES ADOPTION, BETTER ESG DISCLOSURE QUALITY REQUIRED

The Minority Shareholders Watch Group (MSWG) recently hosted the National Corporate Governance & Sustainability Awards (NACGSA) to honour the exemplary corporate governance (CG) and sustainability practices of Malaysian public listed companies (PLCs).



Held on 26 September 2024 at the Mandarin Oriental Hotel Kuala Lumpur, the award ceremony was officiated by Datuk Dr. Shahrazat Haji Ahmad, Deputy Secretary General of Treasury (Investment), Ministry of Finance. The ceremony gathered over 550 attendees, including industry leaders, representatives from PLCs, institutional investors, and key CG stakeholders, making it a notable event for Malaysia's business community.



NACGSA, which was supported by Bursa Malaysia Berhad as the Platinum Sponsor, along with Kumpulan Wang Awam Persaraan (KWAP), Ernst & Young, MBSB Bank, Lembaga Tabung Angkatan Tentera (LTAT), PERKESO, Permodalan Nasional Berhad (PNB), and the Securities Industry Development Corporation (SIDC), underscores the importance of elevating CG and sustainability standards in Malaysia.

NACGSA is a testament to Malaysia's collective progress in CG and sustainability, representing the country's most comprehensive and rigorous evaluation of PLCs. This independent assessment, supported by the Capital Market Development Fund (CMDf), integrates three globally recognised frameworks: the ASEAN Corporate Governance Scorecard (ACGS), the Malaysian Code on Corporate Governance (MCCG), and the Sustainability Scorecard. Endorsed by the Corporate Governance Council, chaired by the Securities Commission Malaysia, the NACGSA assessment process ensures that Malaysia's CG and sustainability standards are aligned with the highest global benchmarks, promoting transparency, accountability, and long-term business resilience.

An independent Adjudication Committee, chaired by Salleh Hassan, Director of SIDC, reviewed the shortlisted companies. The committee included experienced professionals such as Suhana Dewi Selamat, executive director of Khazanah Nasional Berhad; Emilia Tee, former director of Bursa Malaysia; Norhisham Abd Bahrin, partner at Azmi and Associates; and Nadia Hassan, senior journalist at The Edge Malaysia. Their combined expertise ensured a thorough and impartial evaluation process.

That evening, excellence was celebrated across five key categories, namely the prestigious Overall Excellence Award, the Mid Cap Excellence Award (for companies with a market cap between RM1 billion to RM2 billion), the Niche Cap Excellence Award (for companies with a market cap below RM1 billion), the Industry Excellence Award, and the REITs Excellence Award.

A significant highlight of the evening was the official launch of the NACGSA 2024 Assessment Report by Datuk Dr. Shahrazat. This comprehensive report provides detailed insights into the assessment findings, serving as a valuable resource for understanding the performance of Malaysian PLCs in CG and sustainability.



The report highlights the top-performing companies and identifies key trends, challenges, and areas for improvement within the broader corporate landscape. It underscores the growing importance of transparency, ethical business practices, and long-term sustainability as critical components for building resilient organisations that thrive in a dynamic global environment. The report serves as a benchmark for PLCs, encouraging continuous enhancement of governance frameworks and sustainability practices in line with international standards.



The assessment findings revealed that the Top 100 PLCs by market cap set the benchmark for CG and sustainability disclosures, achieving an average NACGSA score of 77.3%, significantly higher than the overall average score of 63.8%. Notably, the Top 50 PLCs demonstrated even stronger leadership, with an impressive average score of 83.7%, and all companies in this group scored above 80%. These companies exemplify the highest standards of transparency, governance, and sustainable business practices, setting a strong example for the rest of the industry.

For the 2024 assessment, MSWG evaluated 854 out of 944 PLCs, excluding companies under Practice Note 17/Guidance Note 3 or those with changes in financial year-end or newly listed through initial public offerings (IPOs). The evaluations were based on publicly available disclosures covering the financial year from 1 January 2022 to 31 December 2022, including annual reports, Corporate Governance Reports (CGR), Sustainability Reports, and other public sources.

Malayan Banking Berhad emerged as the overall winner of the evening, a testament to its outstanding CG and sustainability practices. In addition to this top honour, the Bank also secured the Industry Excellence Award for the Financial Services Sector, further underscoring its leadership in promoting transparency, ethical governance, and long-term sustainability. Tan Sri Dato' Sri Ir. Zamzamzairani Mohd Isa, Non-Independent Non-Executive Chairman, accepted the award on behalf of Malayan Banking.



Following closely, CIMB Group Holdings Berhad secured second place, while Axiata Group Berhad took third place. Duopharma Biotech Berhad claimed fourth, and AMMB Holdings Berhad rounded out the top five. Their commitment to ethical business practices, transparency, and sustainable growth cements their roles as distinguished role models within Malaysia's corporate landscape.

Some of the key findings from the NACGSA assessment are:

1) Large-cap PLCs lead the way in CG and sustainability practices and disclosures.

The Top 100 PLCs are leading the way in CG and sustainability disclosures in Malaysia, with an average NACGSA score of 77.3%, significantly higher than the overall average NACGSA score of 63.8%. Main Market PLCs registered an average score of 64.6%, while ACE Market PLCs registered an average score of 59.4%.

Notably, the Malaysian Top 50 PLCs outperformed all other categories, with an average NACGSA score of 83.7%. All the Malaysian Top 50 PLCs had attained scores of above 80%.

2) Disclosures of CG best practices under ACGS show continuous improvement.

MSWG has conducted CG disclosure assessments for Malaysian PLCs using the ACGS framework since 2012. Since then, the performances of Malaysian PLCs have continuously improved, with the average ACGS score improving from 67.22 points in 2018 to 88.05 points in 2023. As reflected in the figure below, an upward trend is also observed in both the Top 100 and ACE Market PLCs.

NACGSA 2024 Award Winners

Overall Excellence Award (by Rank)

1. Malayan Banking Berhad
2. CIMB Group Holdings Berhad
3. Axiata Group Berhad
4. Duopharma Biotech Berhad
5. AMMB Holdings Berhad
6. British American Tobacco (Malaysia) Berhad
7. Top Glove Corporation Bhd
8. Sunway Construction Group Berhad
9. IOI Corporation Berhad
10. Sunway Berhad
11. Gamuda Berhad
12. Alliance Bank Malaysia Berhad
13. Kenanga Investment Bank Berhad
14. Hong Leong Bank Berhad
15. Celcomdigi Berhad
16. Press Metal Aluminium Holdings Berhad
17. Telekom Malaysia Berhad
18. Eastern & Oriental Berhad
19. MSM Malaysia Holdings Berhad
20. DRB-HICOM Berhad
21. IOI Properties Group Berhad
22. Sime Darby Berhad
23. MISC Berhad
24. S P Setia Berhad
25. Malaysia Marine And Heavy Engineering Holdings Berhad
26. Eco World International Berhad
27. SD Guthrie Berhad
28. Tenaga Nasional Berhad
29. IHH Healthcare Berhad
30. Malaysia Airports Holdings Berhad
31. Petronas Chemicals Group Berhad
32. Eco World Development Group Berhad
33. Lotte Chemical Titan Holding Berhad
34. Fraser & Neave Holdings Bhd
35. AEON Credit Service (M) Berhad
36. Nestle (Malaysia) Berhad
37. Velesco Energy Berhad
38. Tune Protect Group Berhad
39. Greatech Technology Berhad
40. Bank Islam Malaysia Berhad
41. Deleum Berhad
42. RHB Bank Berhad
43. Allianz Malaysia Berhad
44. Malaysian Resources Corporation Berhad
45. Petronas Dagangan Berhad
46. Affin Bank Berhad
47. Gadang Holdings Berhad
48. Mr D.I.Y. Group (M) Berhad
49. Genting Plantations Berhad
50. Public Bank Berhad

Mid Cap Excellence Award

(Market Capitalisation Between RM1 Billion – RM2 Billion)
Eco World Development Group Berhad

Niche Cap Excellence Award

(Market Capitalisation Below RM1 Billion)
Kenanga Investment Bank Berhad

Industry Excellence Award | Construction

Sunway Construction Group Berhad

Industry Excellence Award | Healthcare

Duopharma Biotech Berhad

Industry Excellence Award | Plantation

IOI Corporation Berhad

Industry Excellence Award | Technology

Greatech Technology Berhad

Industry Excellence Award | Transportation & Logistics

MISC Berhad

Industry Excellence Award | Financial Services

Malayan Banking Berhad

Industry Excellence Award | Industrial Products & Services

Sunway Berhad

Industry Excellence Award | Property

Eastern & Oriental Berhad

Industry Excellence Award | Telecommunications & Media

Axiata Group Berhad

Industry Excellence Award | Utilities

Tenaga Nasional Berhad

Industry Excellence Award | Consumer Products & Services

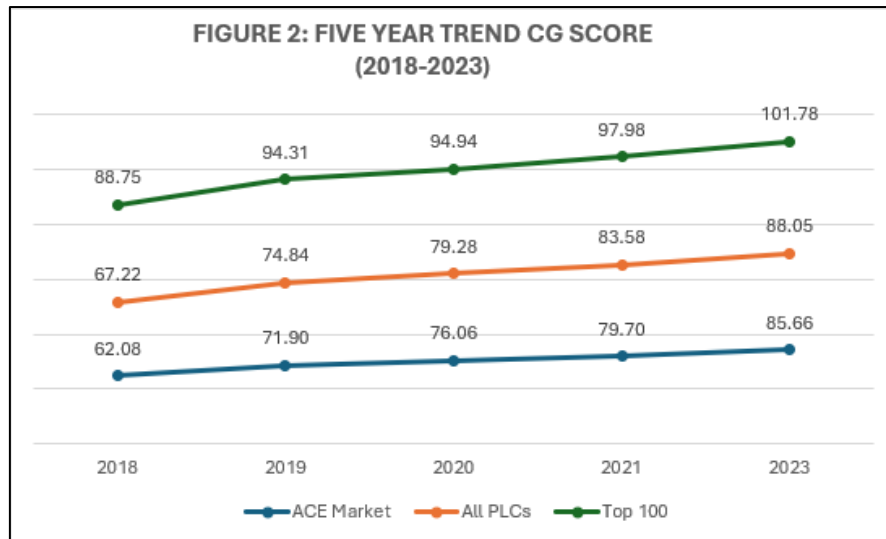
British American Tobacco (Malaysia) Berhad

Industry Excellence Award | Energy

Malaysia Marine And Heavy Engineering Holdings Berhad

REITs Excellence Award

Sunway Real Estate Investment Trust



3) The quality of sustainability and ESG reporting needs further enhancement in terms of the scope and depth of disclosures.

Our sustainability assessment revealed that the Top 100 PLCs are moving in the right direction in terms of reporting and implementing sustainability and ESG practices. They recorded an average disclosure quality score of 70%, much higher than the 46% recorded across all PLCs.

Their better sustainability disclosures and reporting may be due to their early adoption of various international sustainability standards and enhanced sustainability reporting framework requirements by Bursa Malaysia in September 2022.

Additional observations noticed from the sustainability assessment are as follows:

- a) The sustainability governance structure is well-established in PLCs, with the Board as the highest oversight body for the development of sustainability strategies in 96% of companies assessed.
- b) Poor disclosures on the linkage of sustainability-related key performance indicators (KPIs) to the remuneration of directors and senior management, as guided by Practice 4.4 of the MCCG, which recommends that performance evaluations of the board and senior management include a review of their performance in addressing the company’s material sustainability risks and opportunities.
- c) Disclosure of quantitative commitments and performance targets for indicators must be improved to enable greater transparency on the company’s sustainability progress to stakeholders.

4) Good disclosures on the adoption of MCCG principles and best practices.

The MCCG component forms 30% of the total NACGSA score and measures the quality of disclosure of practices as disclosed in the CGR. The overall average quality score for MCCG was 75%, with one company attaining a perfect score for its overarching disclosure of all MCCG principles and best practices. In comparison, the lowest score was 49%. Details on the quality of disclosure of the MCCG principles and best practices are reported in the CG Monitor Report published by SC Malaysia.

Overall, the positive findings from the inaugural NACGSA assessment demonstrate that Malaysian PLCs are on the right path in adopting the best CG and sustainability practices. That said, there is still room for improvement, especially in the quality of disclosures related to ESG and sustainability initiatives.

Moreover, 94% of the companies we assessed did not provide independent assurance or internal review for their sustainability statement and report. This underscores the critical need for independent external assurance of sustainability data and reports to enhance the credibility of disclosed information and foster stakeholders' trust in the companies' ESG commitments.

Lastly, only 18% of the companies we assessed had integrated sustainability into their core business strategy. This highlights the importance of setting the tone from the top, converting governance and sustainability commitments into actionable strategies and embedding these strategies into day-to-day operations.

[END]

MSWG HIGHLIGHTS

NACGSA 2024 ASSESSMENT REPORT

A complimentary copy of the report can be downloaded on MSWG's website – <https://bit.ly/NACGSA2024>



43

PLCs with a female chairperson

28

PLCs with female CEO

341

PLCs had at least one female INED on Board

248

PLCs had two or more female INEDs on Board

SUSTAINABILITY ASSESSMENT

(Comparison of disclosures of selected criteria – full findings are presented in the Sustainability Analysis section of the Report)

Sustainability governance oversight are led by Board of Directors or designated Board Committee

Top 100

All PLCs



Sustainability KPIs linked to remuneration of the Board and/ or top management



Reporting scope include elements from both upstream and downstream



Prioritisation process undertaken for PLC's material sustainability matters



Material assessment undertaken were reviewed and approved/ validated by Board



Quantitative indicators for ALL material matters



Full independent assurance in accordance with recognised assurance standards for Sustainability Statement/Report



Partial independent assurance undertaken for sustainability data/ processes



Internal review by the internal auditors



Adoption of GRI Standards



Commitment to UN Sustainable Development Goals (UNSDGs)



Reporting Disclosures Aligned with TCFD core pillars/Signed Up as TCFD Supporter





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Supported by



Silver Sponsors



Bronze Sponsors



Gold ESG Supporters



Silver ESG Supporters



Bronze ESG Supporters



MOMENTS FROM THE NACGSA 2024 AWARD CEREMONY










NACGSA 2024 WAS FEATURED ON THE EDGE MALAYSIA

The EDGE MALAYSIA SEPTEMBER 23, 2024
| 27

Organiser




Platinum Sponsor



Supported by







NATIONAL CORPORATE GOVERNANCE & SUSTAINABILITY AWARDS

26 September 2024 | 7.00 pm | Mandarin Oriental Kuala Lumpur

A night of recognition for the leaders who set the benchmark for governance and sustainability.



854
PLCs Assessed



50
Top PLCs Recognised



5
Award Categories

NACGSA is a prestigious accolade that honours exemplary corporate governance and sustainability practices among public listed companies (PLCs) in Malaysia. It enhances and replaces the former MSWG-ASEAN Corporate Governance Awards, which have been successfully held since 2009. This new award leverages a more comprehensive methodology endorsed by the Corporate Governance Council. This methodology integrates three key assessments, namely the ASEAN Corporate Governance Scorecard, the Malaysian Code on Corporate Governance (MCCG), and the Sustainability assessment.



Independently Assessed
No entry fees or nominations required for the assessment.



Comprehensively Covered
Includes all public listed companies



Methodology Endorsed
by the Corporate Governance Council



Globally Recognised Framework
CG framework recognised globally and endorsed by ASEAN



Independently Adjudicated
Results adjudicated by an independent committee

“As Malaysia continues to raise the bar for corporate governance and sustainability, NACGSA stands as a testament to our unwavering commitment to fostering excellence among PLCs. NACGSA adopts a forward-looking approach, recognising companies that excel in governance and demonstrate a strong commitment to sustainability. It highlights the importance of responsible business practices in driving long-term value and resilience in today's evolving corporate landscape.”



Dr. Ismet Yusoff
Chief Executive Officer
Minority Shareholders Watch Group

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NACGSA 2024 Celebrates Excellence in Corporate Governance and Sustainability



NACGSA 2024 was launched by YBhg. Datuk Dr. Shahrazat Haji Ahmad, Deputy Secretary General of Treasury (Investment), Ministry of Finance Malaysia. Datuk Shaharizat was accompanied on stage by YBhg Datuk Mohd Nasir Ali, Chairman MSWG (left) & Dr Ismet Yusoff, Chief Executive Officer MSWG (right).



First Place - Malayan Banking Berhad



Second Place - CIMB Group Holdings Berhad



Third Place - Axiata Group Berhad

The Minority Shareholders Watch Group (MSWG) proudly announced the 2024 National Corporate Governance & Sustainability Awards (NACGSA) winners last night. The event recognises Malaysian public-listed companies (PLCs) that have set new benchmarks in corporate governance and sustainability practices.

The Top 100 PLCs by market capitalisation achieved an outstanding average NACGSA score of 77.3%, well above the overall score of 63.8%. Leading this group, the Top 50 PLCs posted an exceptional average score of 83.7%, showcasing their leadership in governance and sustainability.

Malayan Banking Berhad emerged as the NACGSA 2024 winner, followed by CIMB Group Holdings Berhad, Axiata Group Berhad, Duopharma Biotech Berhad, and AMMB Holdings Berhad, recognised for their exemplary standards and commitment to sustainable business practices.

Dr. Ismet Yusoff, CEO MSWG, commended the winners, "In a rapidly evolving business environment, these companies have shown that sustainable success is built on the foundation of strong governance. Their achievements in balancing growth, accountability, and responsibility set a new benchmark for others to follow."

MSWG assessed 854 PLCs, applying frameworks like the ASEAN CG Scorecard (ACGS), the Malaysian Code on Corporate Governance (MCCG) and the Sustainability Scorecard. The findings revealed a continuous improvement in corporate governance disclosures and identified growth areas in sustainability reporting.

The awards serve as a crucial platform for recognising best practices, promoting long-term value creation, and encouraging companies to strengthen their governance and sustainability efforts. Full details of the NACGSA winners and assessment findings can be accessed at www.mswg.org.my.

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IOI Corporation Berhad

Industry Excellence Award | Technology
Greentech Technology Berhad

Industry Excellence Award | Transportation & Logistics
MISC Berhad

Industry Excellence Award | Financial Services
Malayan Banking Berhad

Industry Excellence Award | Industrial Products & Services
Sunway Berhad

Industry Excellence Award | Property
Eastern & Oriental Berhad

Industry Excellence Award | Telecommunications & Media
Axiata Group Berhad

Industry Excellence Award | Utilities
Tenaga Nasional Berhad

Industry Excellence Award | Consumer Products & Services
British American Tobacco (Malaysia) Berhad

Industry Excellence Award | Energy
Malaysia Marine And Heavy Engineering Holdings Berhad

REITs Excellence Award
Sunway Real Estate Investment Trust

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MSWG AGM/EGM Weekly Watch 7 – 11 October 2024

The following are the AGMs/EGMs of companies on the Minority Shareholders Watch Group's (MSWG) watch list for this week.

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.

QUICK-TAKE

Date & Time	Company	Quick-take
08.10.24 (Tue) 10.00 am	Bermaz Auto Berhad (AGM)	<p>The Group reported higher revenue of RM3.91 billion (FY2023: RM3.54 billion), representing an increase of 10.5% y-o-y, driven by higher sales volume from its Mazda marque domestic operations.</p> <p>In line with the higher revenue, its pre-tax profit improved y-o-y by 14.3% to RM483.7 million (FY2023: RM423.3 million). With the outstanding financial performance, the Company rewarded shareholders with a record dividend of 26 sen per share or approximately RM303.6 million in FY2024 (FY2023: RM256.6 million), representing approximately 87.9% (FY2023: 83.9%) of its net profit.</p>
08.10.24 (Tue) 02.00 pm	AHB Holdings Berhad (EGM)	AHB has proposed the establishment of a new share issuance scheme (SIS) of up to 15% of its issued shares to eligible directors and employees of the Company and its subsidiaries. The Company also proposed to allocate SIS options to all the directors on the Board including four independent directors.
10.10.24 (Thur) 09.30 am	Hibiscus Petroleum Berhad (EGM)	Hibiscus has proposed to acquire a 100% equity interest in TotalEnergies EP (Brunei) BV (TotalEnergies Brunei) from TotalEnergies Holdings International BV for US\$259.4 million (RM1,087.8 million) cash.

Date & Time	Company	Quick-take
		<p>The acquisition is for TotalEnergies Brunei's 37.5% operated interest in the Block B Maharajalela Jamalulalam (MLJ) field, a high-quality gas asset located offshore Brunei. Almost 84% of the production is gas. Hibiscus said the asset is set to increase the gas production share of its portfolio to almost 50% from 36%.</p>
<p>10.10.24 (Thur) 10.00 am</p>	<p>Pekato Group Berhad (EGM)</p>	<p>Pekato proposed to acquire a 60% equity interest in Apex Power Industry Sdn Bhd (Apex Power) via Pekato Teknologi Sdn Bhd (PTSB), a wholly owned subsidiary of the Company for RM96.0 million cash and diversify its business to include design and fabrication of power distribution equipment and related activities.</p>
<p>10.10.24 (Thur) 11.00 am</p>	<p>Pekato Group Berhad (EGM)</p>	<p>Pekato also proposed to establish an Employees' Share Option Scheme (ESOS) of up to 10% of its total number of issued ordinary shares to all directors and eligible employees.</p>
<p>10.10.24 (Thur) 11.00 am</p>	<p>Analabs Resources Berhad (AGM)</p>	<p>Analabs reported a marginally lower net profit of RM27.66 million in FY2024, compared to RM28.29 million in the year before, mainly due to net impairment losses on financial assets amounted to RM9.23 million (FY2023: RM611,000).</p> <p>Meanwhile, it also incurred significantly higher finance costs at RM7.66 million (FY2023: RM4.42 million) due to increasing margin loans to partially finance its equity investments.</p>
<p>11.10.24 (Fri) 10.00 am</p>	<p>Marine & General Berhad (AGM)</p>	<p>During FYE2024, the Group's revenue rose by RM40.7 million (13.3%) to RM348.0 million, driven by increased charter activities and rates in the Upstream Division due to higher oil drilling and robust economic activities. Gross profit increased by RM10.4 million (13.6%) to RM86.6 million. Profit before vessel</p>

Date & Time	Company	Quick-take
		impairment reversal was RM42.5 million, up from RM27.4 million in FY2023, mainly due to better operating results and gains from selling two vessels.

POINTS OF INTEREST

Company	Points/Issues to Be Raised
Bermaz Auto Berhad (AGM)	<p>1. For its Philippine operations, there was a significant improvement (53.6%) in sales volume for FY2024 of 2,583 units compared to FY2023 of 1,682 units mainly due to higher sales of Mazda CX-60, Mazda3, Mazda CX-90 and Mazda CX-8, which were very popular there (page 20 of AR2024).</p> <p>To what extent will the higher sales for Mazda’s popular models in the Philippines be sustained or exceed the performance of FY2024 in the financial year ending 2025?</p> <p>2. Business development fees increased to RM46.7 million (FY2024: RM25.1 million). (Note 23, page 197 of AR2024)</p> <p>What is the reason for the huge increase in business development fees received by the Group? Are they one off or recurring in nature?</p>
Hibiscus Petroleum Berhad (EGM)	<p>Hibiscus is venturing into Brunei with the acquisition of a 100% equity interest in TotalEnergies EP (Brunei) BV (TotalEnergies Brunei) from TotalEnergies Holdings International BV for US\$259.4 million (RM1,087.8 million) cash. The acquisition is for TotalEnergies Brunei’s 37.5% operated interest in the Block B Maharajalela Jamalulalam (MLJ) field, a high-quality gas asset located offshore Brunei.</p> <p>a) What is the expected return on investment for Hibiscus?</p> <p>b) How much debt would Hibiscus incur to fund the acquisition?</p> <p>c) What is the estimated capex for this asset from 2025 to 2029?</p>

Company	Points/Issues to Be Raised
Pekat Group Berhad (EGM)	<p>A. PROPOSED ACQUISITION OF 60% EQUITY INTEREST IN APEX POWER INDUSTRY SDN BHD (APEX POWER) VIA PEKAT TEKNOLOGI SDN BHD (PTSB), A WHOLLY OWNED SUBSIDIARY OF THE COMPANY FOR A CASH CONSIDERATION OF RM96.0 MILLION.</p> <p>1. Revenue for the 5M-FPE is estimated based on the EPE Switchgear’s existing order book. Thereafter, the revenue is estimated to increase at 3.0% per annum for FYE 30 September 2025 to FYE 30 September 2027, and 2.5% per annum for FYE 30 September 2028. The historical compounded annual growth rate of Apex Power’s revenue over the period from FYE 30 September 2021 to FYE 30 September 2023 is approximately 7.7% (Source: Page 10 of the Circular).</p> <p>a) What is the current value of EPE Switchgear’s unbilled order book to be delivered by the Group? How long would these works sustain EPE Switchgear’s operation?</p> <p>b) What is the visibility of replenishing the order book and what is the EPE Switchgear’s internal target for order book replenishment in FY2025?</p> <p>c) Given the historical compounded annual growth rate (CAGR) of Apex Power Group’s revenue from FYE2021 to FYE2023 is approximately 7.7%, what are the key drivers expected to sustain or improve this growth rate?</p> <p>B. PROPOSED DIVERSIFICATION TO INCLUDE DESIGN AND FABRICATION OF POWER DISTRIBUTION EQUIPMENT AND RELATED ACTIVITIES.</p> <p>1. The EPE Switchgear’s products are sold to foreign countries in various regions such as Qatar, Sri Lanka, Oman, Australia and Germany between its FYE 30 September 2021 and FYE 30 September 2023. Revenue derived from export sales accounted for 16.46%, 5.92%, and 0.06% of EPE Switchgear’s total revenue for FYE 30 September 2021, FYE 30 September 2022, and FYE 30 September 2023, respectively. This demonstrates its ability to tap into foreign markets to enlarge its addressable market (Source: Page 19 of the Circular).</p>

Company	Points/Issues to Be Raised
	<ul style="list-style-type: none"> a) What is the current foreign market sales contribution to the Group's revenue and why does the EPE Switchgear's products which are sold to foreign countries facing a declining trend? b) Please explain how with the declining sales in the foreign countries, from 16.46% in FYE2021 to 0.06% FYE2023 demonstrated the Group's ability to tap into foreign markets to enlarge its addressable market?
Analabs Resources Berhad (AGM)	<p>1. Trade and Other Receivables</p> <ul style="list-style-type: none"> a) Analabs impaired RM2.32 million in trade receivables related to the Contract Work, Pipe Laying and Rehabilitation segment in FY2024 (page 152, Note 33 – Operating Segments, AR2024). <ul style="list-style-type: none"> i) What factors contributed to the substantial increase in impairment losses on trade receivables from the business segment? ii) What actions have been taken to recover the impaired amount? iii) What is the probability of recovering the impaired amount? iv) To date, how much of the impaired trade receivables have been recovered? v) What are the profiles of the customers who made up the trade receivables that were impaired? b) Meanwhile, trade receivables which are past due more than 90 days but not impaired increased to RM1.8 million from RM295,000 previously (page 124, Note 10 – Trade Receivables, AR2024). <ul style="list-style-type: none"> i) What difficulties did the Group face in recovering trade receivables that were more than 90 days overdue, given the substantial increase in outstanding amount?

Company	Points/Issues to Be Raised
	<ul style="list-style-type: none"> ii) Please explain the customer profile for the trade receivables that were overdue for more than 90 days. c) Besides, Analabs also impaired RM6.93 million worth of other receivables relating to the Investment Holding and property Letting segment in FY2024 (page 152, Note 33 – Operating Segments, AR2024). <ul style="list-style-type: none"> i) Please explain the nature of other receivables that were impaired during the year. ii) What culminated in the substantial impairment of other receivables? What caused the debtors unable to repay the amount to Analabs? What is the probability of recovering the impaired amount? How much of the impaired amount has the Group collected up to now? <p>2. Why did Analabs pay a consultancy fee of RM463,000 to a director of the Group in FY2024 (page 149, Note 32 – Related Party Disclosures, AR2024)?</p> <p>What kind of consultation advice was rendered by the director to Analabs? How does the Group benefit from the advice provided by the director? Who is the director who received the fee? Is the consultation provided to Analabs recurring in nature?</p>
Marine & General Berhad (AGM)	<p>The Group recorded RM348.0 million revenue, representing a RM40.7 million or 13.3% increase from FYE2023. The increase was mainly attributable to higher charter activities and charter rates for the Upstream Division in line with the continued increase in oil drilling activities and the robust general economic activities in the region (Source: Page 20 of the Annual Report (AR) 2024).</p> <ul style="list-style-type: none"> a) Jasa Merin (Malaysia) Sdn Bhd (JMM) has been providing OSV services to oil majors such as PETRONAS Carigali Sdn Bhd, ExxonMobil Exploration and Production Malaysia Inc. and Sarawak Shell Berhad for over 30 years. <ul style="list-style-type: none"> (i) Please provide the breakdown of revenue by each of the oil majors clients, in percentage terms, in FYE2024.

Company	Points/Issues to Be Raised
	<ul style="list-style-type: none"> (ii) What is the JMM's percentage mix of contracts in FY2024, in terms of longer and shorter duration? What is the desired percentage mix? (iii) How much is the current outstanding contract value for JMM? How long are the contract agreements? <p>b) Presently, JMM operates a fleet of 22 vessels comprising 20 Anchor Handling Tug Supply Vessels (AHTS) and 2 Straight Supply Vessels (SSV).</p> <ul style="list-style-type: none"> (i) How much has the daily chartered rate for each type of vessel increased in FYE2024 compared to FYE2023, in percentage terms? (ii) What is the likelihood of further increase in the current daily chartered rate in FYE2025 and by how much is the expected increment as compared to FYE2024?

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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