



The Official Newsletter from MSWG Observer



Selamat Menyambut
Hari Kebangsaan Ke-67



Since the Proposed SCR was announced by MPH B on 28 May 2024, MSWG received numerous concerns and feedback from its minority shareholders regarding the offer price of RM1.70, which is at a steep discount to the NAV of the Company. Shareholders are advised to deliberate the proposal and exercise their voting rights during the upcoming EGM on 6 September 2024.

MPHB Capital's privatisation - To accept or not accept?

On 28 May 2024, low-profile tycoon Tan Sri Surin Upatkoon proposed privatising MPHB Capital Berhad at RM1.70 per share via a selective capital reduction and repayment (SCR) exercise (collectively known as the Proposed SCR/Offer) via his private vehicle Casi Management Sdn Bhd (CMSB, the Offeror).

The Proposed SCR will see a capital reduction and repayment of RM1.70 apiece on 440.07 million shares, or 62.68% of the total number of MPHB shares in issue. CMSB and MWE Holdings Sdn Bhd (persons acting in concert with CMSB and Tan Sri Surin in relation to the Proposed SCR) collectively own 37.32% of MPHB.

Tan Sri Surin and his daughter Ivevei Upatkoon sit on the MPHB board as non-independent non-executive chairman and executive director (collectively referred to as Interested Directors).

Questions to ponder

Generally, when it comes to a takeover offer, minority shareholders must ask a few pertinent questions before deciding whether to accept the offer.

What minority shareholders should consider asking on a privatisation offer

- What is the rationale for the offer?
- Is the Offer price fair and reasonable?
- What are the valuation methods adopted for the valuation of the shares?
- What are the options available and what are their implications for minority shareholders?
- Do the Offerors intend to maintain the company's listing status?

Rationale and listing status

On the rationale for MPHB's privatisation, CMSB said the former had recorded low trading liquidity for the past five years, with an average daily trading volume of 160,310 shares, representing 0.04% over the free float of MPHB comprising 388.05 million shares. Hence, the Proposed SCR will allow Entitled Shareholders (shareholders other than CMSB and MWE Holdings) to realise their investments in MPHB for reinvestments elsewhere.

Besides, the Offeror also claimed the listing status brings minimal benefit to the Group and its shareholders as MPHB has not undertaken any fundraising activity from the capital market over the past decade. Meanwhile, the Company has been incurring costs to maintain its listing status and comply with the relevant regulatory requirements as a listed company on Bursa Malaysia Securities Berhad.

With that, the Offeror said, taking MPH B private will provide greater flexibility to develop its existing business without regulatory restrictions, resulting in an efficient operating structure and improved utilisation of resources, prospects and future growth.

Tan Sri Surin also does not intend to maintain the MPH B's listing status on the Main Market of Bursa Malaysia.

The offer is not fair... but it is reasonable.

Since MPH B announced the Proposed SCR on 28 May 2024, MSWG has received numerous concerns and feedback from its minority shareholders regarding the offer price, which is at a steep discount to the Company's Net Asset Value (NAV).

The offer price of RM1.70 for each MPH B share represents a mere 13 sen or 8.28% premium to RM1.57 – the closing price on 27 May 2024, a day before the Offer was made to MPH B shareholders.

On the flip side, the offer price was at a 30.99% premium to the prevailing three-month volume-weighted average price of RM1.2978.

In its independent advice letter (IAL) dated 15 August 2024, independent adviser (IA) UOB Kay Hian Securities (M) Sdn Bhd concluded that the Proposed SCR was **“not fair but reasonable.”**

The IA is of the view that the Proposed SCR is **“not fair”** as its offer price of RM1.70 per share represents:

- (i) A **discount of 48.01%** to the **estimated fair value of MPH B shares of RM3.27 per share** (computed via revalued net asset value (RNAV) method)
- (ii) A **discount of 30.33%** to the **unaudited consolidated net asset of RM2.44 per share** as at 31 March 2024.

On the other hand, the IA also deemed the Proposed SCR **“reasonable.”** This is because it provides an exit opportunity for disinterested shareholders, especially those who hold a significant number of MPH B shares, to realise their investment in MPH B.

The reasonableness is premised upon considerations below:

- (i) **Historical market prices of MPH B shares:** MPH B shares have not traded above the SCR offer price during the past three years.
- (ii) **Historical trading liquidity of MPH B shares:** The trading volume of MPH B shares was relatively illiquid. Its trading liquidity, based on the average historical monthly volume traded for the past 12 months up to July 2024 of 0.55% and the average monthly volume excluding outliers of 0.32%, was lower than the average monthly

volume traded over the free float of KL Consumer Product Index and KLPRP of 8.01% and 14.93%, respectively.

- (iii) **No alternative proposal:** MPH B has not received an alternative offer for its shares or an offer to acquire the assets and liabilities of MPH B Group.
- (iv) **Level of control of the offeror, ultimate offeror and their PACs (persons acting in concert):** The non-entitled shareholders and their PACs only hold equity stake/voting rights of approximately 43.07% in MPH B; hence, the offeror, ultimate offeror and their PACs would still be in a position to exert significant influence over both the ordinary and special resolutions sought at the company's general meeting.

Accordingly, UOB Kay Hian recommends that **Entitled Shareholders vote in favour of the Special Resolution on the Proposed SCR** to be tabled at the forthcoming physical extraordinary general meeting (EGM) to be held on 6 September 2024.

However, the IA caveated that the decision would depend entirely on the shareholders' risk appetite, specific preferences, and expectations of MPH B's future performance.

Directors' recommendation

Having considered all aspects of the Proposed SCR – MPH B's Board (save for the Interested Directors) concurs with the evaluation and recommendation of the IA that the proposed SCR is deemed "not fair but reasonable".

The Board recommended shareholders to vote in favour of the Special Resolution which entails the Proposed SCR exercise. MPH B said three of its independent non-executive directors (INEDs), namely Datuk Seri Lim Tiong Chin, Kuah Hun Liang and Ng Siew Hong, have intended to vote in favour of the Special Resolution in respect of their shareholding in MPH B.

For the privatisation to succeed, the proposal must be approved by at least the majority of the disinterested shareholders in number and 75% in value in person or by proxy at the 6 September EGM. It must also not be voted against by more than 10% of disinterested shareholders. CMSB, Tan Sri Surin, and the PACs will not vote on the Proposed SCR.

Proposed Variation

We wish to draw attention to the proposed variation of the utilisation of proceeds from the disposal by Multi-Purpose Capital Holdings Berhad, a wholly-owned subsidiary of MPH B, of 51% equity interest in MPI Generali Insurans Berhad for RM522.06 million (collectively referred to as Proposed Variation).

The disposal was completed on 30 August 2022. Initially, approximately RM160.80 million from the disposal proceeds of RM522.06 million was earmarked for investment

opportunities and/or land acquisition to support MPH B's property business expansion. As of 31 March 2024, approximately 20.42% or RM106.63 million of the total disposal proceeds remain utilised.

Given the absence of suitable investment opportunities and acquisition, the Board has decided to undertake the Proposed Variation by deploying the unutilised disposal proceeds to partly fund the Proposed SCR.

The Proposed Variation will be put forth for the approval of disinterested shareholders at the upcoming EGM.

The Proposed Variation is subject to the approval of MPH B's disinterested shareholders at the upcoming EGM. It is worth noting that the Proposed SCR and the Proposed Variation are inter-conditional. If the disinterested shareholders of MPH B vote against the Proposed Variation and the said resolution is not approved at the forthcoming EGM, the Proposed SCR will not be implemented due to its inter-conditionality with the Proposed Variation. Minority shareholders who wish to vote for the Proposed SCR should also vote for the Proposed Variation.

Our thoughts

The privatisation is reminiscent of a similar corporate manoeuvre executed by Tan Sri Surin with MWE Holdings Berhad in 2018. The exercise saw him take the garment maker and property developer private at RM1.75 per share through the SCR and repayment scheme. This marked his second attempt to privatise MWE, following a failed bid in 2015 at RM1.70 per share.

To recap, the offer price of RM1.75 per MWE share represented a significant 36.8% discount against its net asset value (NAV) of RM2.77 per share. Moreover, the offer was priced at a 37.18% (RM1.04) and 43.72% (RM1.36) discount to the estimated fair value of RM2.79 and RM3.11 per share, respectively, as assessed by its IA, M&A Securities.

Despite the deal being deemed "not fair but reasonable", M&A Securities still recommended that shareholders vote in favour of the SCR. Following this, MWE was delisted from Bursa Malaysia on 11 October 2018 upon successfully executing the SCR and repayment scheme.

MPH B and MWE share several similarities: both were thinly traded and lacked excitement before the privatisation offers were made. Besides, both bids were set at substantial discounts to their respective NAV.

Given this, MSWG met with MPH B's independent directors on 5 July 2024 to convey minority shareholders' concerns and feedback regarding the offer price of the Proposed SCR, which is a steep discount to the NAV of the Company.

Since the exercise is done in accordance with prevailing rules, codes, and listing requirements, MSWG could only try to convince the independent directors to re-deliberate the offer price at the board level.

Meanwhile, MSWG advised the minority shareholders to wait for the IAL for more details on the valuation of the assets, which will assist them in making an informed investment decision.

As expected, upon deliberation on the Proposed SCR offer, MPH B's Board resolved to table the resolution for the Proposed SCR for the disinterested shareholders' consideration and approval. Not surprisingly, the IA deemed the SCR offer price "not fair" but "reasonable," and disinterested shareholders were advised to vote in favour of the offer.

Alas, the current regulatory regime allows "unfair" but "reasonable" exit offers to be tabled for shareholders' consideration. Disinterested shareholders are often advised by IA to accept the offer despite the unfairness. Major shareholders may use such mechanisms to privatise PLCs at a low price during the market downturn.

MSWG is all for voluntary exit offers to be both "fair" and "reasonable" before being presented to disinterested shareholders for deliberation. This aligns with the voluntary delisting rules of regional peers like Singapore, where offerors must propose fair offer prices that meet or exceed the estimated fair value, thereby aligning the interests of minority shareholders with those of the offeror. Regulators should look into this issue to further enhance protection for minority shareholders.

MSWG witnessed many cases of privatisation since its inception. We utterly understand the frustration of the minority shareholders for those who have suffered losses due to the unfair exit offer and those who view the Offeror taking the Company private cheaply at an offer price substantially lower than the estimated fair value.

However, do bear in mind that there are also minority shareholders who may have invested at much lower prices and are taking this opportunity to cash out.

For this, each minority shareholder will decide whether to accept or reject the offer. As always, minority shareholders should make informed investment decisions based on their risk appetites.

MSWG will organise a public forum on 3 September 2024 regarding the proposed MPH B privatisation. This forum is being held in response to requests from minority shareholders to understand better the Independent Advice Letter (IAL) and the offer presented. The objective of this forum is to facilitate comprehension and provide clarity on the matter.

MSWG AGM/EGM Weekly Watch 2 – 6 September 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.

Date & Time	Company	Quick-take
03.09.24 (Tue) 09.00 am	Resintech Berhad (AGM)	<p>FY2024 has been a record year for Resintech, with its revenue surpassing the RM100 million threshold. Revenue was 17.85% higher than RM89.98 million recorded in the previous year.</p> <p>At the same time, its net profit jumped five times to RM6.02 million, compared to RM1.00 million in the previous year. The significant improvement in profit margins was contributed by enhanced productivity and streamlined processes.</p>
04.09.24 (Wed) 09.00 am	XL Holdings Berhad (EGM)	<p>XL Holdings is seeking shareholders' approval for the resolutions below:</p> <ul style="list-style-type: none"> - Proposed Bonus Issue of Shares entails the issuance of up to 124,567,920 Bonus Shares on the basis of 2 Bonus Shares for every 5 existing XLHB Shares held - Proposed Bonus Issue of Warrants entails an issuance of up to 217,993,860 Warrants, on the basis of 1 Warrant for every 2 existing XLHB Shares held
04.09.24 (Wed) 10.30 am	Microlink Solutions Berhad (AGM)	<p>Microlink posted improved topline performance in FY2024 with a 13.22% y-o-y increase in revenue to RM281.29 million.</p> <p>Overall, its various operating segments posted mixed revenue performance in the year. Revenue from the Financial Services and Enterprise Solutions segments declined by 33.34% and 4.57%,</p>

Date & Time	Company	Quick-take
		<p>respectively. Meanwhile, the Distribution Services and Solution Delivery saw a 41.19% and 77.58% y-o-y jump in revenue.</p> <p>Despite these gains, it turned loss-making with a loss before tax of RM24.89 million, compared to a profit of RM31.92 million the previous year, as a result of lower margins and project fulfilments.</p>
04.09.24 (Wed) 10.30 am	Green Packet Berhad (EGM)	<p>The Company proposes to undertake a private placement, issuing 598.48 million new shares, representing approximately 30% of the total issued shares at RM0.032 per share.</p> <p>It expects to raise gross proceeds of approximately RM19.15 million, which will be utilised to fund a joint venture project in Sri Lanka, money lending business, and working capital.</p>
05.09.24 (Thur) 11.00 pm	BLD Plantation Bhd (AGM)	<p>The Group's revenue in FY2024 was 30.77% y-o-y lower at RM1.71 billion (FY2023: RM2.47 billion) for FY2024 mainly due to lower sales volume and average selling price of products.</p> <p>Nevertheless, the increase in finance and other income, as well as lower operating expenses had cushioned the decline in revenue.</p> <p>With that, its net profit declined marginally to RM43.1 million from RM43.9 million the year before.</p>
05.09.24 (Thur) 03.00 pm	Tasco Berhad (AGM)	<p>For FY2024, Tasco posted a lower revenue of RM1.07 billion, a 32% or RM534.1 million decrease against revenue of RM1.61 billion in FY2023.</p> <p>As the operating landscape shifted, the high freight rates experienced during the</p>

Date & Time	Company	Quick-take
		<p>COVID-19 pandemic receded, impacting the revenue of logistics companies.</p> <p>Consequently, its net profit declined by 29.8% or RM27.5 million to RM64.8 million (29.8%) from RM92.3 million earlier.</p>
06.09.24 (Fri) 09.30 am	Hartalega Holdings Berhad (AGM)	<p>Hartalega's revenue decreased by 24% y-o-y to RM1.83 billion in FY2024 (FY2023: RM2.41 billion) following the decline in both sales volume and average selling prices amid intense market competition.</p> <p>Nevertheless, Hartalega managed to turn around with a net profit of RM19 million in FY2024 compared to a net loss of RM239 million last year. In the previous year, Hartalega was impacted by the one-off impairment of RM347 million arising from the decommissioning of our Bestari Jaya facility.</p>
06.09.24 (Fri) 11.00 am	Oversea Enterprise Berhad (AGM)	<p>The Group's revenue for FY2024 increased to RM70.67 million (FY2023: RM56.19 million) mainly due to revenue contribution from new outlets.</p> <p>Meanwhile, it recorded a profit before tax of RM5.82 million (FYE 2023: LBT of RM1.50 million) due to the gain on an acquisition of a subsidiary company.</p>
06.09.24 (Fri) 11.00 am	FCW Holdings Berhad (AGM)	<p>FCW changed its financial year end from 30 June to 31 March in the previous financial year. The FY2024 consists of a 12-month reporting period, against a nine-month reporting period in FPE 31 March 2023.</p> <p>The Group recorded revenue of RM28.49 million in FY2024. In contrast, it posted RM21.62 million in revenue in FPE2023.</p> <p>Meanwhile, its pre-tax profit stood at RM24.09 million in FY2024 versus RM21.04 million in FPE2023.</p>

Date & Time	Company	Quick-take
06.09.24 (Fri) 11.00 am	Kim Loong Resources Berhad (EGM)	<p>Kim Loong has proposed the establishment of an employees' share option scheme (ESOS) of up to 10% of its issued shares to eligible executive directors (EDs) and executives of the Group.</p> <p>It also proposed allocation of ESOS to four Interested EDs and three eligible executives who are connected with the Interested EDs. The Proposals are expected to be completed by the second half of 2024.</p>
06.09.24 (Fri) 02.00 pm	Crescendo Corporation Berhad (EGM)	<p>The company is proposing the following resolutions in this EGM:</p> <ul style="list-style-type: none"> - Proposed Disposal by Panoramic Industrial Development Sdn Bhd of a vacant industrial land located in the Mukim of Pulai, District of Johor Bahru, State of Johor for RM115.88 million. - Proposed Share Split involving the subdivision of every 1 existing Ordinary Share in CCB into 3 Subdivided Shares - Proposed Establishment of an Executives' Share Option Scheme (ESOS) of up to 10% of the total number of issued shares of the Company at any point in time during the duration of the ESOS to be granted to the Eligible Executive Directors and Executives of CCB and its subsidiaries (Proposed ESOS) - Proposed Allocations of Options to the Eligible Executive Directors and persons connected to the Eligible Executive Directors pursuant to the Proposed ESOS

Points of interest:

Company	Points/Issues to Be Raised
Resintech Berhad (AGM)	<p>Resintech reported record financial performance in FY2024 with revenue and net profit of RM106.04 million (FY2023: RM89.98 million) and RM6.02 million (FY2023: RM1 million).</p> <p>a) Net profit margin expanded to 5.68% from 1.1% in FY2023, which was primarily driven by enhanced productivity and streamlined processes (page 7 of Annual report 2024).</p> <p>What were the enhancements made to production processes resulting in the significantly improved profit margin? How much has the Group invested to enhance the performance of plant and machinery? Is the improved profit margin sustainable? Please elaborate with examples and the measurable results from the enhancements implemented to improve overall productivity.</p> <p>b) Meanwhile, the burgeoning demand for pipes, driven by the data center boom and the need for water infrastructure upgrades, presented substantial opportunities for Resintech (page 7 of AR2024).</p> <p>The boom of data center development in a few states in Malaysia prompted concern about water supply adequacy. With that, state water operators such as Air Selangor are ramping up pipe replacement initiatives to increase the water reserve margin.</p> <p>i. What are the key water infrastructure works at the state level that shareholders should take note of? Among these initiatives, which state offers brighter prospects and opportunities for Resintech?</p> <p>ii. What is the size of the total serviceable available market by value for Resintech? Please share your revenue growth projection over the next two to three years.</p> <p>iii. What are your competitive edges compared to other providers?</p>

	<p>c) The last dividend declared by Resintech was dated back in FY2022 when the Company declared a total of 2.5 sen dividend on the back of a net profit of RM5.11 million.</p> <p>Despite the much-improved profit and operating cashflow (at RM22.16 million compared to -RM4.75 million in FY2023) in FY2024, why did Resintech not declare any dividend during the year?</p> <p>d) What are the key priorities Resintech set to achieve in FY2025?</p>
<p>Microlink Solutions Berhad (AGM)</p>	<p>1. The Group recorded an impairment loss of RM11.3 million on trade receivables, significantly higher than the RM389,178 recorded in FYE2023 (page 17 of AR2024 Volume 2).</p> <p>a) What factors contributed to this substantial increase in impairment losses on trade receivables?</p> <p>b) What actions have been taken to recover the impaired amount?</p> <p>c) What is the probability of recovering the impaired amount?</p> <p>d) To-date, how much of the impaired trade receivables have been recovered?</p> <p>2. The Group's trade receivables that were past due more than 60 days have notably increased to RM62.8 million in FYE2024 from RM19.9 million in FYE2023 (page 48 of AR2024 Volume 2).</p> <p>a) What difficulties did the Group face in recovering trade receivables that were more than 60 days overdue, especially with the significant rise in the outstanding amount?</p> <p>b) What are the profiles of the customers who made up the trade receivables that were overdue for more than 60 days during FYE2023 for the Group?</p> <p>c) How much of the total overdue amount has the Group collected up to now?</p>

<p>Green Packet Berhad (EGM)</p>	<p>“Upon successful development and implementation of the Project, TTISB is entitled on the revenue generated from the Project, and TTISB and KIPLEPAY agreed to decide on the revenue sharing portion on a later date.” (Page 2 of announcement dated 20 February 2024 relating to the unincorporated joint venture agreement)</p> <p>“Following the Unincorporated Joint Venture Agreement (UJVA) which is subject to the execution of a detailed joint venture agreement in due course.” (Page 13 of Circular)</p> <p>As set out in the UJVA, Kiplepay shall contribute the initial working capital of up to RM13.00 million. (Page 14 of Circular)</p> <ul style="list-style-type: none"> a) Who are the directors and shareholders of TTISB? b) What is TTISB’s role in the project and its fund contribution in relation to the Project? Additionally, why is only Kiplepay required to make an early capital contribution of up to RM13.00 million? c) What is the basis for arriving at the initial working capital of RM13.00 million? d) How does the Company plan to enforce Kiplepay’s rights and entitlements under the unincorporated joint venture agreement? What are the criteria to determine the revenue sharing portion amongst the parties to the UJVA?
<p>BLD Plantation Bhd (AGM)</p>	<p>1. Currently, Datuk Haji Hamden bin Haji Ahmad, the Independent Non-executive Director (INED) of BLDP who was appointed on 4 February 2004 then resigned on 3 July 2007 and re-appointed on 3 September 2007 (page 8 of AR2024) has served on the Board for 20 years 7 months. Under Resolutions 7 and 11, he is seeking proposed re-election and retention to continue to act as INED of the Company.</p> <p>Bursa Malaysia had amended the Main Market Listing Requirements to limit the tenure of an independent director to not more than a cumulative tenure of 12 years in the listed issuer or any related corporation from the date of his first appointment as an independent director (Reference to Chapter 1 of Bursa Malaysia Main Market Listing Requirements). Datuk Haji Hamden bin</p>

	<p>Haji Ahmad's continuation as INED of BLDP is a breach of the Bursa Malaysia Main Market Listing Requirements. Given that MSWG had raised this issue during last year's AGM and one year has passed, what are the challenges faced by the Board in identifying and onboarding new board members?</p> <p>2. Based on BLD's reply to letters in year 2021, 2022 and 2023 to MSWG's question raised in the previous AGMs, the Company noted MSWG's comment and does not wish to disclose the directors' remuneration on a named basis due to confidentiality and security concerns.</p> <p>The Company continues not to disclose the remuneration of directors on a named basis for Annual Report 2024 is a breach of the Bursa Malaysia Main Market Listing Requirements. The disclosure made on page 14 of AR2024 does not meet the disclosure requirement under Appendix 9C Contents of Annual Report, Part A (11) of the Bursa Malaysia Main Market Listing Requirements.</p>
Tasco Berhad (AGM)	<p>As the operating landscape shifted, the high freight rates experienced during the COVID-19 pandemic receded, impacting the revenue of logistics companies. Domestically, industry players had to contend with challenges such as worker shortages, increased labour costs, bigger overheads as well as a higher sales and service tax rate. (page 11 of AR 2024)</p> <p>a) What is the outlook for freight rates in FY 2025 and FY 2026?</p> <p>b) How does TASCOS manage the challenges of worker shortages, increased labour costs and higher overheads?</p>
Hartalega Holdings Berhad (AGM)	<p>Towards the latter part of the year, underlying market demand conditions began to see early signs of improvement. (Page 15 of IAR2024) The Group reported quarterly revenue of RM583.8 million in 1QFY2025, marking the highest in the past seven quarters. The net profit margin of 5.5% in 1QFY2025 also surpassed the full-year result of 1.1% in FY2024.</p> <p>a) With the improving market conditions, does the Group anticipate sales volume in FY2025 to return to pre-pandemic levels?</p>

	<p>b) What is the current average selling price (ASP) of the Group's gloves? Does management believe that Malaysian manufacturers are now in a better position to command higher pricing and regain market share?</p>
<p>Oversea Enterprise Berhad (AGM)</p>	<p>On 29 August 2023, Oversea Training Academy Sdn Bhd, a wholly-owned subsidiary, had entered into Share Sales Agreements with Ong Kah Hoe and Nicholas Wong Yew Khid for the acquisition of 100% equity interest in Nexus Excellent Sdn Bhd ("Nexus") with a total consideration of RM13,750,000.</p> <p>a) How has Nexus contributed to the Group's profit for FYE 2024?</p> <p>b) Please clarify Nexus's current principal activities. In the announcement dated 30 August 2023, it was mentioned that Nexus is principally involved in running restaurants, fast-food outlets, entertainment, and musical shows. However, in the Annual Report 2024, it is stated that Nexus is involved in the letting and management of commercial property.</p> <p>c) How does the acquisition of Nexus align with the Group's expansion plan to further venture into the food and beverage business?</p>
<p>FCW Holdings Berhad (AGM)</p>	<p>For FYE2024, the Group experienced a 32% increase in revenue compared to FYE2023, from RM21.62 million to RM28.49 million. The Profit before tax (PBT) also increased from RM21.04 million in the previous financial year to RM24.09 million in FYE2024. This increase in profit can be attributed primarily to the change in the financial year end in the previous year (Page 17 of the 2024 Annual Report/ 2024AR).</p> <p>FCW's PBT in FYE2024 was mainly from the contribution of share of joint venture results, net of tax, which amounted to RM22.82 million. Before incorporating the share of joint venture results, FCW recorded an operating loss of RM1.46 million in FYE2024 (9-month FYE2023: Operating loss of RM0.67 million) (Page 72 of 2024AR).</p> <p>How do the Board and management intend to address this operational loss? What measures are being taken by the top levels to drive the operation to profitability?</p>

MSWG
MINORITY SHAREHOLDERS WATCH GROUP

presents

NACGSA

NATIONAL CORPORATE GOVERNANCE
& SUSTAINABILITY AWARDS

2024

854

PLCs
Assessed

50

Top PLCs
Recognised

5

Award
Categories



Independently Assessed

No entry fees or nominations
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Comprehensively Covered

Includes all publicly listed
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Methodology Endorsed

by the Corporate
Governance Council



Globally Recognised Framework

CG framework recognised globally and
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Independently Adjudicated

Results adjudicated by an
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26 September 2024 | Thursday

7.00 pm - 10.30 pm

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MINORITY SHAREHOLDERS WATCH GROUP

23 SEPTEMBER 2024 | MONDAY
9.00 AM - 5.00 PM
SHERATON PETALING JAYA HOTEL



Registration Fee
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Early Bird
(Before 6 September 2024)
RM1600

Group of 2
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Managing Whistleblowing What You Should Know and Do

Programme Overview

This programme equips professionals in governance, compliance, risk management, and audit with the knowledge and tools to establish and maintain effective whistleblowing mechanisms. It focuses on integrating ISO 37002 Whistleblowing Management System (WMS) with legislative requirements, governance frameworks, policies, procedures, and emerging technologies to foster transparency, integrity, and accountability. The session will include a fireside chat with a former whistleblower, sharing his experiences and the gaps he encountered.

Session 1

Whistleblowing and ISO 37002 in the Malaysian Business Context

The significance of whistleblowing in business, key legislative requirements like the Whistleblower Protection Act 2010, and an introduction to ISO 37002. It includes case studies from Malaysian businesses to illustrate effective whistleblowing mechanisms and legal safeguards.

Session 2

Developing and Implementing Whistleblowing Policies and Procedures

Key components of an effective whistleblowing policy in line with ISO 37002 and local legislation. It will cover designing procedures for reporting, investigation, and follow-up, ensuring confidentiality, and protecting whistleblowers. Participants will engage in an interactive workshop to draft a whistleblowing policy for a hypothetical organisation.

Session 3

Governance, Management, and Emerging Technologies in Whistleblowing

Integrating governance frameworks to support whistleblowing systems, best practices for managing whistleblowing reports, and the role of emerging technologies such as encrypted communication tools and blockchain. It will also include a demonstration of implementing a secure whistleblowing technology solution.

Session 4

Monitoring, Evaluating, and Improving Whistleblowing Systems

Explore methods to evaluate the effectiveness of whistleblowing systems, continuous improvement practices customised for business organisations, and the use of data analytics and reporting tools to monitor and enhance these systems. Additionally, there will be a group discussion on challenges and solutions for maintaining effective whistleblowing systems in the business sector.

Session 5

Fireside Chat - What Made Me to Whistleblow

Dr. Muhammad Mohan, a former whistleblower, offers a firsthand account of his journey and motivations behind whistleblowing. Gain unique insights into the challenges faced and the pivotal moments that led Dr. Mohan to speak out, shedding light on the importance of transparency and ethical governance in organisational practices. Join us for an illuminating discussion that explores the personal and professional implications of taking a stand for integrity and accountability.



Trainer's Profile
Raymon Ram

Raymon is a seasoned advocate against economic crime with vast experience in leading corporate fraud investigations, facilitating anti-fraud courses, and contributing to Malaysia's anti-corruption initiatives. He has authored publications, developed anti-corruption guidelines, and is a certified fraud, bribery, and money laundering trainer. As the Founder and Managing Principal of Graymatter Forensic Advisory, he specialises in financial forensics and compliance. He also holds leadership roles at Transparency International Malaysia and the UN Office on Drugs and Crime.

Raymon is a Certified Fraud Examiner (CFE), Certified Anti-Money Laundering Specialist (CAMS), and ISO 37001 Lead Auditor. He holds a Master's in economic crime management, a Bachelor's in Psychology (HONS), and a Corporate Governance Certificate from the Basel Institute of Governance, Switzerland. He is also pursuing a Doctorate in Business Administration in Malaysia.



Panelist Profile
Dr. Muhammad Mohan

Dr. Muhammad Mohan, President of Transparency International Malaysia, is a leading advocate against corruption, promoting good governance and ethical corporate culture. A former whistle-blower who exposed corruption at his previous company and served as a key witness for ICA (now MACC), he joined TI-Malaysia to continue his advocacy. He frequently addresses ethics, governance, and anti-corruption in public and in-house programs and led a team to publish *The Sin of Corruption: A Religious Perspective*.

He is a PFCB-certified Lead Auditor for ABMS ISO 37001 and an engineer by profession. He has held leadership roles in plantation industries in Malaysia and the Middle East, including with the Sime Darby Group, Golden Hope Plantations, Tradewinds Plantations, and the Savella Group. He also holds a Doctorate in Business Administration from the University of Newcastle, Australia.



MINORITY SHAREHOLDERS WATCH GROUP

24 SEPTEMBER 2024 | TUESDAY
9.00 AM - 5.00 PM
SHERATON PETALING JAYA HOTEL



Registration Fee
RM1800

Early Bird
(Before 5 September 2024)
RM1600

Group of 2
or more
RM1600

All prices are subject to any applicable government tax.

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Please contact us for more details.

Register now



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For more info, please contact:

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 khalidah@mswg.org.my

Minority Shareholders Watch Group

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What Can Seriously Go Wrong with RPTs?

Understand the legal requirements and gain insights from recent case

Programme Overview

This training programme aims to equip participants with a comprehensive understanding of Related Party Transactions (RPTs) and Recurrent Related Party Transactions (RRPTs), including conflict of interest (COI) situations and enhanced disclosure requirements. Participants will learn to develop and implement a Related Party Transaction Framework as a crucial line of defence, ensure transactions are conducted at 'arm's length' to protect minority shareholders and understand the importance of compliance with Transfer Pricing regulations to mitigate tax risks. The programme will highlight the benefits of a holistic governance, risk management, and internal control framework in providing assurance to the Audit Committee and Board and will address common pitfalls in managing RPTs.

Part 1 | 9:00 am - 10:30 am

- **Overview of Related Parties (RP), RPTs, and COI Situations**
 Discusses recent amendments enhancing COI disclosures.
- **Regulatory Perspectives on RPTs**
 Examines RPTs through the Companies Act 2016, Securities Commission Guidelines, MFRS, and Bursa Malaysia's Listing Requirements.
- **RPTs vs. RRPTs**
 Clarifies the distinction between Related Party Transactions and Recurrent Related Party Transactions.
- **Why RPTs are scrutinised?**
 Emphasises the importance of transparency, fairness, and protecting minority shareholders in corporate governance.

Part 2 | 11:00 am - 12:30 pm

- **Roles of the Board, Audit Committee, and Management**
 Focus on their responsibilities in managing RPTs, RRPTs, and COI situations.
- **Audit Committee Focus**
 Emphasizes key elements in reviewing RPTs, utilising tools from the Corporate Governance Guide 4th Edition for effective oversight.
- **Importance of RPT Framework**
 Highlights the need for a strong framework to ensure transparency, accountability, and regulatory compliance.



Trainer's Profile
Lee Min On

Lee Min On is a well-sought-after trainer for in-house training, public seminars and conferences, sharing thoughts and insights on Sustainability, Governance, Risk, Controls, & Internal Audit. He is an Audit Committee member of the Malaysian Institute of Accountants. He is also an Independent Non-Executive Director of four Main Market listed issuers in Malaysia. His qualifications and professional membership are Chartered Accountant, Malaysian Institute of Accountants, Certified Public Accountant, Malaysian Institute of Certified Public Accountants and Fellow Member, The Institute of Internal Auditors Malaysia. He retired as a Partner of KPMG in Malaysia in December 2015 after serving with the firm for 36 years.

Part 2 | 11:00 am - 12:30 pm

- **Governance, Risk, and Control (GRC) Framework**
 Discusses its role in managing RPTs and RRPTs, especially concerning the Shareholders' Mandate, ensuring alignment with corporate governance best practices.

Part 3 | 2:00 pm - 3:30 pm

- **"Arm's Length" Concept in RPTs**
 Highlights the need for proper documentation to ensure transactions are fair and equitable.
- **Tax Corporate Governance Framework**
 Discusses the importance of transfer pricing compliance to meet regulatory standards in related party transactions.

Part 3 | 2:00 pm - 3:30 pm

- **Role of Auditors**
 Explores how Internal and External Auditors review and validate transactions to maintain transparency, accuracy, and compliance.

Part 3 | 2:00 pm - 3:30 pm

- **Ensuring Compliance**
 Emphasizes adherence to financial and governance practices within the organisation.

Part 4 | 3:45 pm - 5:00 pm

- **Case studies**
 What can still go "wrong"?



Public Training Programme




揭秘ESG和气候相关的汇报与披露格式

为大马交易所永续发展报告框架, 和即将落实的 IFRS S1和 IFRS S2 新准则做好准备

📅 2024年9月26日(星期四) ⌚ 上午9:00-下午1:00

📺 网络研讨会 **zoom**



UPDATED LINK

扫描二维码进行注册

in X @MSWGMalaysia mswg.org.my



Public Training Programme




UNDERSTANDING MPH B PRIVATISATION

3 September 2024 | Tuesday | 3.00 pm

Dewan Perdana,
Bukit Kiara Equestrian & Country Resort

Scan the QR code to register your interest




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Public Training Programme




Preparing Your Sustainability Report

📅 3 SEPTEMBER 2024 TUESDAY ⌚ 9.00 AM - 5.00 PM

📍 SHERATON PETALING JAYA HOTEL

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Public Training Programme





Understanding IFRS S1 and IFRS S2

📅 4 SEPTEMBER 2024 WEDNESDAY ⌚ 9.00 AM - 5.00 PM

📍 SHERATON PETALING JAYA HOTEL

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