

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

New Straits Times, Business Times – Monday, 29 May, 2023 (Part 2)

MSWG AGM/EGM WEEKLY WATCH
29 MAY- 2 JUNE 2023

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 29 May 2023 – 2 June 2023.

The extraction of the question raised in the letter is highlighted here. For the details of other questions, please login to MSWG website at www.mswg.org.my.

One of the points of interest to be raised:

Company	Points/Issues to Be Raised
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Chin Hin Group Berhad (AGM)	<p>The Board disclosed some short-term and long-term measures to reduce the liquidity risks of the group at the 8th AGM of the company. However, as of 31 December 2022, the group's net gearing remained high at 1.10x (2021: 1.12x). Even with the disposal of the remaining stake in Solarvest Holdings Bhd in 2022, which raised proceeds of RM103.28m, and the RM56.055m obtained from a private placement exercise, the group's net debt increased further from RM698.4m as of 31 December 2021 to RM734.8m as of 31 December 2022.</p> <p>a) Considering that Chin Hin operates in cyclical industries and in view of the challenging operating environment, which includes an inflationary environment, increased interest rates, property overhang, and overall economic challenges, what measures is the group taking to reduce the liquidity risk?</p> <p>b) What level of the group's net gearing is the Board comfortable with?</p> <p>c) Given the current financial position of the group, why is the company seeking shareholders' approval for share buyback?</p>
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Subur Tiasa Holdings Berhad (AGM)	<p>The external auditors have drawn attention to Note 4 in the financial statements (on page 61 of AR2022), indicating a going concern issue as the Group's current liabilities exceeded its current assets by RM378.8 million as of 31 Dec 2022 (2021: RM393.8 million). This raises concerns about the Group's ability to generate sufficient cash flows to meet its obligations for the next 12 months from the end of the reporting period and questions the appropriateness of using the going concern basis in the preparation of the financial statements, despite the Group recording a net profit of RM44.7 million (2021: RM73.0 million) and net operating cash inflows of RM96.9 million (2021: RM172.5 million) for the financial year.</p> <p>a) The Group prepared a 12-month consolidated cash flows forecast for 2023 to support the financial statements being prepared on a going concern basis. What is the cash flow forecast for FY2023 and what were the assumptions used?</p> <p>b) What contingency plans does the Group have in place if the cash flows from the oil palm plantation segment or the financial support from bankers do not meet expectations?</p>
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Duopharma Biotech Berhad (AGM)	<p>In 2023, Duopharma Biotech faces challenges due to regulatory changes, including increased electricity tariff for commercial operations and overtime payment requirements for workers earning RM4,000 and below, resulting in significant cost implications (page 23 of AR2022).</p> <p>a) What are the expected incremental cost increases for electricity expenses and staff expenses in 2023? What is the projected total increase in operating expenses in 2023?</p> <p>b) What strategies are in place to offset these cost pressures? Are there anticipated cost savings in raw material expenses due to market conditions or operational improvements? Please provide specific figures or projections for the expected reduction in costs.</p>
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Syarikat Takaful Malaysia Keluarga Berhad (AGM)	<p>Despite higher profit before zakat and taxation year-on-year, STMKB net profit contracted by 23% to RM319 million from RM412 million in FY2021, mainly due to higher tax expenses caused by the imposition of one-time "Cukai Makmur" charged by the federal government in FY2022 for profits exceeding RM100 million.</p> <p>a) What would STMKB's net profit be if the impact of Cukai Makmur is excluded?</p> <p>b) Generally, 2022 was an exemplary year for banks and insurers, with the resumption of economic activities leading to demand for financial solutions after two years of lockdowns and movement restrictions. Does STMKB foresee a normalisation in demand for life and general takaful in FY2023? What is the management guidance on contribution growth for life and general takaful?</p>
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Genting Malaysia Berhad (AGM)	<p>The Group will continue to focus on ramping up its operations at RWG to pre-pandemic capacity whilst building on its service delivery and product offerings to enhance the quality of guest experience. (page 3 of AR 2022)</p> <p>In which segments or entities has the Group not operated at full capacity? What is the current estimated level (%) of operations and when does it expect to operate at full capacity?</p>
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