

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

New Straits Times, Business Times – Monday, 24 October 2023 Part 2

**MSWG AGM/EGM WEEKLY WATCH**  
**23 - 27 OCTOBER 2023**

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 23 - 27 October 2023.

The extraction of the question raised in the letter is highlighted here. For the details of other questions, please login to MSWG website at [www.mswg.org.my](http://www.mswg.org.my)

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

Company	Points/Issues to Be Raised
<b>Cypark Resources Berhad (AGM)</b>	<p>Cypark slipped into losses in the 18-month financial period ended 30 April 2023 (FPE2023) with a net loss of RM265.34 million, caused by massive impairments and provisions amounting to RM379 million. The sizeable impairment was unprecedented since its listing in 2010. Meanwhile, revenue for the 18-month amounted to RM311.99 million.</p> <p>For perspective, the Company made RM315.32 million in revenue and RM75.25 million net profit in FY2021 (page 20 of AR2023).</p> <p>a) Cypark provided RM100.18 million of allowance for the impairment losses of contract assets in FPE2023.</p> <ol style="list-style-type: none"> <li>To which division (e.g., renewable energy (RE), construction and engineering, green technology and environment services, waste management, and waste-to-energy (WTE)) do the impairments relate to?</li> <li>Included in the impairment losses for contract assets was a full impairment of RM30 million for work performed but-yet to be billed to a customer in respect of a property development project, as contract negotiations with the said customer and relevant approvals from authorities were delayed due to unforeseen circumstances in previous financial years (page 156 of AR2023). Did Cypark perform work for the customer before signing a formal contract with the said customer? If yes, why did the Company do so? What were the unforeseen circumstances causing the delays and what is the likelihood of these issues being resolved in a timely manner?</li> </ol> <p>b) The impairment for intangible assets amounted to RM39 million pertaining to a revision in the tipping fee for its WTE plant in Ladang Tanah Merah (LTM), Negeri Sembilan, which is currently under review by the Government. What is the progress of the review and negotiation with the Government? What is the quantum of revision proposed by Cypark compared to existing charges?</p> <p>c) The Company also impaired development expenditure of RM17.12 million as it believes the expenditures incurred to develop new and improved products for the RE industry would not be recouped against earlier expectations of commercialising it. What is the product/technology about? Is the said product/technology currently used in Cypark's business activities? What renders the product not marketable and of little commercial value?</p> <p>d) The LAD was related to the LSS3 project in Merchang, Terengganu, after multiple delays in completing the project. The project is expected to be completed by the end of 2023. Please provide the progress of the project and confirm if the timeline mentioned above is attainable. What are the efforts undertaken by the Company to negotiate for lower LAD with the affected parties?</p> <p>e) Please explain the management guidance and assumptions used for the impairment of RM104.48 million categorised under 'Prolongation cost.'</p> <p>f) Collectively, intangible assets and contract assets made up 63.42% of Cypark's RM2.715 billion total assets as of 31 July 2023. What is the likelihood of further impairment, reversal, or recoverability, where applicable, in FY2024?</p> <p>g) What valuable lessons did Cypark gain from this massive impairment exercise? With hindsight, were these massive impairments a result of lapses in judgment by the previous Board and Management? What were the weaknesses identified from this? What are the steps taken to improve the internal control procedures to better safeguard the Company's assets in the future?</p>
<b>Vizione Holdings Berhad (AGM)</b>	<p>A significant impairment loss was made for the trade receivables amounting to RM14.63 million in FPE2023 [Previous financial year: RM1.4 million] (Page 79 of AR2023).</p> <ol style="list-style-type: none"> <li>What are the reasons for the significant increase in the impairment?</li> <li>Which trade receivables are involved in the impairment exercises?</li> <li>What are the measures taken to recover the amount?</li> <li>How much of the amount has been recovered, to-date? What is the expected amount to be recovered in FY2024?</li> <li>Given the significant increase in impairment level, is there a need to review the credit policy of the Group?</li> </ol>