

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

New Straits Times, Business Times – Monday, 15 July 2024

**MSWG AGM/EGM WEEKLY WATCH**  
**15 - 19 JULY 2024**

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 15 - 19 July 2024.

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>Ajiya Berhad (EGM)</b>	<p>1. We noted the personal guarantee, which will be delivered by Datuk Seri Chiau Beng Teik, JP, a director of Chin Hin group, in favour of Ajiya to guarantee the repayment of the loan (Page 26 of the Circular). This will reduce Ajiya's risk exposure. However, the primary focus should be on Chin Hin's ability to meet its financial obligations and any adverse impacts on Ajiya.</p> <p>(a) Chin Hin also intends to utilise RM50 million to expand its building material division and RM40 million to expand its construction business (Page 4 of the Circular).</p> <p>How will Ajiya manage its cashflow and liquidity in case of delayed or default in payments from Chin Hin if its expansion plans do not materialise as anticipated?</p> <p>(b) Chin Hin intends to use RM110 million for the proposed acquisition of CHGP's subsidiaries, namely Chin Hin Construction Engineering Sdn Bhd (100% owned by CHGP) and Kayangan Kemas Sdn Bhd (95% owned by CHGP). CHGP is a 55.36 %-owned subsidiary of Chin Hin.</p> <p>Chin Hin also intends to deploy up to RM50 million of the loan for other investment purposes, including raising its equity stake in SIB and CHGP.</p> <p>Given Chin Hin's interconnectedness with its subsidiaries and related companies, how does Ajiya plan to manage the risk exposure?</p> <p>(c) Chin Hin's substantial stake in Ajiya sets the stage for a strategic partnership but also introduces conflicts of interest. Decisions favouring Chin Hin may not align with Ajiya's shareholders' best interests.</p> <p>Lending substantial funds to a closely affiliated company to expand similar businesses can be seen as prioritising Chin Hin's growth over Ajiya's interests. The RM50 million loan will be used by Chin Hin to expand its building material division, which could have been redirected towards Ajiya's own expansion initiatives.</p> <p>Would it not concern the Board of the abovementioned 3(c)? If so, how has the board of directors of Ajiya deliberated these in the boardroom? Please explain and share with shareholders.</p>												
<b>AYS Ventures Berhad (AGM)</b>	<p>1. According to the World Steel Association, the global demand is set to rebound by 1.7% in 2024 (Page 22 of AR2024). Based on this, will AYS be able to maintain its revenue above the RM1 billion mark in FYE2025? If not, why?</p> <p>2. The Group's Loss Time Injuries (LTI) and Lost Time Injury Frequency Rate (LTIFR) performance is as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>FY2024</th> <th>FY2023</th> <th>FY2022</th> </tr> </thead> <tbody> <tr> <td>LTI</td> <td>2,816</td> <td>616</td> <td>408</td> </tr> <tr> <td>LTIFR</td> <td>3,720</td> <td>1,093</td> <td>719</td> </tr> </tbody> </table> <p>To further safeguard the public and the Group's employees from any health and safety hazards associated with its activities, it is doubling its efforts to decrease both LTI and LTIFR as part of its ongoing safety improvement initiatives and engagement programmes (Page 57 of AR2024).</p> <p>(a) There was a sharp increase in LTI and LTIFR in FY 2024 compared to previous years. What contributed to such an increase, and what is the nature of the incidences reported?</p> <p>(b) What lessons have been learned to reduce such incidents? What are the current efforts being taken to decrease LTI and LTIFR, and its progress?</p> <p>(c) What are the targets for LTI and LTFR for FYE2025? Are the current efforts taken sufficient to meet the targets?</p>		FY2024	FY2023	FY2022	LTI	2,816	616	408	LTIFR	3,720	1,093	719
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