

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

New Straits Times, Business Times – 2 - 6 September 2024 Part 1

MSWG AGM/EGM WEEKLY WATCH
2 – 6 SEPTEMBER 2024

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 2 – 6 September 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.

One of the points of interest to be raised:

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> <ul style="list-style-type: none"> • 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>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> <ul style="list-style-type: none"> • 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>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> <ul style="list-style-type: none"> • 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? • 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. • What are your competitive edges compared to other providers? • 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>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> <ul style="list-style-type: none"> • What are the key priorities Resintech set to achieve in FY2025?
Microlink Solutions Berhad (AGM)	<ul style="list-style-type: none"> • 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). • What factors contributed to this substantial increase in impairment losses on trade receivables? • What actions have been taken to recover the impaired amount? • What is the probability of recovering the impaired amount? • To-date, how much of the impaired trade receivables have been recovered? • 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). • 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? • 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? • How much of the total overdue amount has the Group collected up to now?
Green Packet Berhad (EGM)	<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"> • Who are the directors and shareholders of TTISB? • 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? • What is the basis for arriving at the initial working capital of RM13.00 million? <p>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>

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BLD Plantation Bhd (AGM)	<ul style="list-style-type: none"> 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>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)</p> <p>Datuk Haji Hamden bin 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> <ul style="list-style-type: none"> 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. 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.
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> <ul style="list-style-type: none"> What is the outlook for freight rates in FY 2025 and FY 2026? How does TASC0 manage the challenges of worker shortages, increased labour costs and higher overheads?
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 a 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> <ul style="list-style-type: none"> With the improving market conditions, does the Group anticipate sales volume in FY2025 to return to pre-pandemic levels? 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?
Oversea Enterprise Berhad (AGM)	<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> <ul style="list-style-type: none"> How has Nexus contributed to the Group's profit for FYE 2024? 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. How does the acquisition of Nexus align with the Group's expansion plan to further venture into the food and beverage business?
FCW Holdings Berhad (AGM)	<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>