

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

New Straits Times, Business Times – 7 October 2024 (Part 1)

MSWG AGM/EGM WEEKLY WATCH

7 – 11 OCTOBER 2024

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 7 - 11 October 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
Bermaz Auto Berhad (AGM)	<p>1. For its Philippine operations, there was a significant improvement (53.6%) in sales volume for FY2024 of 2,583 units compared to FY2023 of 1,682 units mainly due to higher sales of Mazda CX-60, Mazda3, Mazda CX-90 and Mazda CX-8, which were very popular there (page 20 of AR2024).</p> <p>To what extent will the higher sales for Mazda's popular models in the Philippines be sustained or exceed the performance of FY2024 in the financial year ending 2025?</p> <p>2. Business development fees increased to RM46.7 million (FY2024: RM25.1 million). (Note 23, page 197 of AR2024)</p> <p>What is the reason for the huge increase in business development fees received by the Group? Are they one off or recurring in nature?</p>
Hibiscus Petroleum Berhad (EGM)	<p>Hibiscus is venturing into Brunei with the acquisition of a 100% equity interest in TotalEnergies EP (Brunei) BV (TotalEnergies Brunei) from TotalEnergies Holdings International BV for US\$259.4 million (RM1,087.8 million) cash. The acquisition is for TotalEnergies Brunei's 37.5% operated interest in the Block B Maharajalela Jamalulalam (MLJ) field, a high-quality gas asset located offshore Brunei.</p> <p>(a) What is the expected return on investment for Hibiscus?</p> <p>(b) How much debt would Hibiscus incur to fund the acquisition?</p> <p>(c) What is the estimated capex for this asset from 2025 to 2029?</p>
Pekati Group Berhad (EGM)	<p>A. PROPOSED ACQUISITION OF 60% EQUITY INTEREST IN APEX POWER INDUSTRY SDN BHD (APEX POWER) VIA PEKATI TEKNOLOGI SDN BHD (PTS), A WHOLLY OWNED SUBSIDIARY OF THE COMPANY FOR A CASH CONSIDERATION OF RM96.0 MILLION.</p> <p>1. Revenue for the 5M-FPE is estimated based on the EPE Switchgear's existing order book. Thereafter, the revenue is estimated to increase at 3.0% per annum for FYE 30 September 2025 to FYE 30 September 2027, and 2.5% per annum for FYE 30 September 2028. The historical compounded annual growth rate of Apex Power's revenue over the period from FYE 30 September 2021 to FYE 30 September 2023 is approximately 7.7% (Source: Page 10 of the Circular).</p> <p>a) What is the current value of EPE Switchgear's unbilled order book to be delivered by the Group? How long would these works sustain EPE Switchgear's operation?</p> <p>b) What is the visibility of replenishing the order book and what is the EPE Switchgear's internal target for order book replenishment in FY2025?</p> <p>c) Given the historical compounded annual growth rate (CAGR) of Apex Power Group's revenue from FYE2021 to FYE2023 is approximately 7.7%, what are the key drivers expected to sustain or improve this growth rate?</p> <p>B. PROPOSED DIVERSIFICATION TO INCLUDE DESIGN AND FABRICATION OF POWER DISTRIBUTION EQUIPMENT AND RELATED ACTIVITIES.</p> <p>1. The EPE Switchgear's products are sold to foreign countries in various regions such as Qatar, Sri Lanka, Oman, Australia and Germany between its FYE 30 September 2021 and FYE 30 September 2023. Revenue derived from export sales accounted for 16.46%, 5.92%, and 0.06% of EPE Switchgear's total revenue for FYE 30 September 2021, FYE 30 September 2022, and FYE 30 September 2023, respectively. This demonstrates its ability to tap into foreign markets to enlarge its addressable market (Source: Page 19 of the Circular).</p> <p>a) What is the current foreign market sales contribution to the Group's revenue and why does the EPE Switchgear's products which are sold to foreign countries facing a declining trend?</p> <p>b) Please explain how with the declining sales in the foreign countries, from 16.46% in FYE2021 to 0.06% FYE2023 demonstrated the Group's ability to tap into foreign markets to enlarge its addressable market?</p>

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Analabs Resources Berhad (AGM)	<p>1. Trade and Other Receivables</p> <p>a) Analabs impaired RM2.32 million in trade receivables related to the Contract Work, Pipe Laying and Rehabilitation segment in FY2024 (page 152, Note 33 – Operating Segments, AR2024).</p> <p>(i) What factors contributed to the substantial increase in impairment losses on trade receivables from the business segment?</p> <p>(ii) What actions have been taken to recover the impaired amount?</p> <p>(iii) What is the probability of recovering the impaired amount?</p> <p>(iv) To date, how much of the impaired trade receivables have been recovered?</p> <p>(v) What are the profiles of the customers who made up the trade receivables that were impaired?</p> <p>b) Meanwhile, trade receivables which are past due more than 90 days but not impaired increased to RM1.8 million from RM295,000 previously (page 124, Note 10 – Trade Receivables, AR2024).</p> <p>(i) What difficulties did the Group face in recovering trade receivables that were more than 90 days overdue, given the substantial increase in outstanding amount?</p> <p>(ii) Please explain the customer profile for the trade receivables that were overdue for more than 90 days.</p> <p>c) Besides, Analabs also impaired RM6.93 million worth of other receivables relating to the Investment Holding and property Letting segment in FY2024 (page 152, Note 33 – Operating Segments, AR2024).</p> <p>(i) Please explain the nature of other receivables that were impaired during the year.</p> <p>(ii) What culminated in the substantial impairment of other receivables? What caused the debtors unable to repay the amount to Analabs? What is the probability of recovering the impaired amount? How much of the impaired amount has the Group collected up to now?</p> <p>2. Why did Analabs pay a consultancy fee of RM463,000 to a director of the Group in FY2024 (page 149, Note 32 – Related Party Disclosures, AR2024)?</p> <p>What kind of consultation advice was rendered by the director to Analabs? How does the Group benefit from the advice provided by the director? Who is the director who received the fee? Is the consultation provided to Analabs recurring in nature?</p>
Marine & General Berhad (AGM)	<p>The Group recorded RM348.0 million revenue, representing a RM40.7 million or 13.3% increase from FYE2023. The increase was mainly attributable to higher charter activities and charter rates for the Upstream Division in line with the continued increase in oil drilling activities and the robust general economic activities in the region (Source: Page 20 of the Annual Report (AR) 2024).</p> <p>a) Jasa Merin (Malaysia) Sdn Bhd (JMM) has been providing OSV services to oil majors such as PETRONAS Carigali Sdn Bhd, ExxonMobil Exploration and Production Malaysia Inc. and Sarawak Shell Berhad for over 30 years.</p> <p>(i) Please provide the breakdown of revenue by each of the oil majors clients, in percentage terms, in FYE2024.</p> <p>(ii) What is the JMM's percentage mix of contracts in FY2024, in terms of longer and shorter duration? What is the desired percentage mix?</p> <p>(iii) How much is the current outstanding contract value for JMM? How long are the contract agreements?</p> <p>b) Presently, JMM operates a fleet of 22 vessels comprising 20 Anchor Handling Tug Supply Vessels (AHTS) and 2 Straight Supply Vessels (SSV).</p> <p>(i) How much has the daily chartered rate for each type of vessel increased in FYE2024 compared to FYE2023, in percentage terms?</p> <p>(ii) What is the likelihood of further increased in the current daily chartered rate in FYE2025 and by how much is the expected increment as compared to FYE2024?</p>