

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 August 2022 **(Part 1)**

MSWG AGM/EGM WEEKLY WATCH	
29 AUGUST 2022 – 2 SEPTEMBER 2022	
<p>MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 29 August 2022 – 2 September 2022.</p> <p>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.</p> <p><i>One of the points of interest to be raised:</i></p>	
Company	Points/Issues to Be Raised
Kanger International Berhad (AGM)	<p>1. Trade Receivables increased significantly from RM9.6 million in FYE 2021 to RM81.3 million in FYE 2022. (Page 60 of AR 2022).</p> <p>a) What were the reasons for the sharp increase?</p> <p>b) Has the credit policies of the Company been reviewed to ensure only credit worthy customers were eligible for credit?</p> <p>2. Other Operating Expenses rose substantially RM67.2 million in FYE 2021 to RM207.2 million in FYE 2022. (Page 62 of AR 2022)</p> <p>What is the nature of these expenses and the reasons for the sharp increase?</p> <p>3. The allowance for slow moving and obsolete inventory written down increased significantly from RM385k in FYE 2021 to RM15.5 million in FYE 2022. (Page 68 of AR 2022)</p> <p>a) How much of the amount has been written off to date?</p> <p>b) Does the Company expect this allowance to increase with the slowing economy in FYE 2023?</p>
Resintech Berhad (AGM)	<p>Referring to Note 12 – Other receivables, deposits and prepayments (page 127 of AR2022)</p> <p>a) included in Resintech's other receivables are advances of RM1.95 million (FY2021: RM1.95 million) for its other investment in which Resintech has the option to convert the advances into additional equity interests subsequently.</p> <ul style="list-style-type: none"> • To what type of business do the advances and other investment relate to? • The level of advances remains the same in the past two years, why did the Company not convert the advances into equity interest given that the advances are classified as current assets? • Also included in other receivables was an amount of RM10.84 million (FY2021: nil) owing by third parties. • What is the nature of these receivables? How did they arise? Who are the third parties? • How likely is the Company to recover the outstanding amount?
NWP Holdings Berhad (AGM)	<p>In FYE2022, NWP recorded another gross loss of RM2,907,358, which is higher than the gross loss of RM2,685,857 in FPE2021. NWP's cost of sales of RM6,136,018 is higher than the revenue of RM3,228,660 [Page 44 of Annual Report 2022].</p> <ul style="list-style-type: none"> • Why did the Group incur the higher gross loss in FYE2022? What has made the cost of sales higher than the revenue? • As this is a serious matter, what are the drastic measures taken by the Board to address the above issue? • Can the Group achieve a gross profit margin in FYE2023? If not, why?
Solarvest Holdings Berhad (AGM)	<p>Some of the LSS4 players have announced a four-year extension to the effective period of Power Purchase Agreements (PPAs) with Tenaga Nasional Berhad to a total period of 25 years. To date, Solarvest has not made any company announcement related to the extension of PPAs. Please clarify whether the three projects secured by Solarvest under the LSS4 scheme, with a combined capacity of 50 MW, are entitled to the extension of PPAs? If no, please explain why.</p>

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Dominant Enterprise Berhad (AGM)	<p>Despite the uncertainty and disruptions resulting from the COVID-19 pandemic, the Group achieved a commendable result in FY2022, recording an operating profit of RM56.8 million (FY2021: RM29.6 million), representing an increase of RM27.2 million or 91.9%. The Group received net insurance compensation amounting to RM10.6 million during the financial year from the fire incident in its Muar warehouse in January 2021.</p> <p>Excluding the net insurance compensation, Dominant would still have a commendable operating profit of RM46.2 million, a year-on-year increase of RM16.6 million or 56.1% (Page 12 of the Annual Report 2022).</p> <ul style="list-style-type: none"> • Is the good performance sustainable in FY2023? • What competitive advantages does the Group have over its peers in the market?
Genetec Technology Berhad (AGM)	<p>In FY2022, the group achieved exceptional growth in Electric Vehicle and Energy Storage segments, primarily driven by the strong orders from an existing key customer from the USA. Customer C, as disclosed on page 89 of Annual Report FY2022, who contributed RM163.872m or 73.3% to the group's revenue for FY2022.</p> <ul style="list-style-type: none"> • For the products that the group currently supplies to Customer C, Is the group the sole supplier of Customer C? • Does the group expect the percentage of revenue contribution from Customer C to increase further in the foreseeable future? • Given the high concentration of revenue contribution from Customer C, how does the group manage the customer concentration risk arising from Customer C? • What are the competitive advantages that the group possesses over other competitors which have helped the group to secure contracts/ orders from Customers C?
WCE Holdings Berhad (AGM)	<p>The project completion was affected by delays in land acquisitions and finalisation of expressway alignment. The project is also financially impacted by cost overrun in land acquisitions. This is further compounded by the Covid-19 pandemic. Does the group anticipate the need for further equity fund raising to complete the expressway?</p>
Panasonic Manufacturing Malaysia Berhad (AGM)	<ul style="list-style-type: none"> • The Company discontinued its production of Rice Cookers in early 2022 citing that rising cost of production had eroded profit margins. With effect from September 30th, 2022, the Company will also cease the production of kitchen appliances such as blenders, food processors and slow cookers. • What is the loss of revenue from the cessation of these lines of products? • What are the products that the Company will introduce to the market to make up for the loss in revenue from the cessation in FYE 2023? • Other Operating Income of the Company rose significantly to RM19.5 million in FYE 2022 compared to RM6.4 million in FYE 2021. (Page 77 of AR 2022) <p>What were the reasons for the sharp increase and is this Income expected to be recurring?</p>
Power Root Berhad (AGM)	<p>Power Root was prepared for the imposition of the sugar tax which was to be implemented on 1 April 2022. Although the Malaysian government has deferred the sugar tax implementation for the moment, the Company is ready for this eventuality. Power Root expects to roll out new products with lower sugar levels to meet the changing trends and tastes of consumers. (page 19 of Annual Report (AR) 2022)</p> <ul style="list-style-type: none"> • What are the potential impacts to Power Root from the new sugar tax in Malaysia? • How much of your current products will be affected by the imposition of the sugar tax in Malaysia? How much of these products can be re-introduced with lower sugar levels? • What did you learn from the sugar tax roll-out in the Middle East markets that you can apply here?