

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

New Straits Times, Business Times – Monday, December 28, 2020

**MSWG AGM/EGM WEEKLY WATCH**  
**28 DECEMBER 2020 - 1 JANUARY 2021**

MSWG had issued AGM/EGM letter to the following PLCs for their shareholders meeting held from 28 December 2020 – 1 January 2021.

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>SMTRack Bhd (AGM)</b>	<p>1. As disclosed in the Auditors' Qualified Opinion, on 28 July 2017 the Company went into a settlement agreement with Cherish Works Sdn Bhd ("CWSB") where CWSB agreed to pay the outstanding amount owed by giving 10 units of One LeTower Serviced Apartment. However, based on the physical sightings performed, the auditors were unable to satisfy the ownership of the apartment by CWSB. Furthermore, there is minimal progress on the construction of the said property, hence the recoverability of the development project and the amount due is uncertain (page 43 of AR2020).</p> <p>a) Given that it has been more than 3 years since the Group signed the settlement agreement, what is the estimated timeframe for CWSB to deliver the 10 units of One LeTower Serviced Apartment?</p> <p>b) Given the minimal progress on the construction of the said property, to what extent will the Group be compensated for late delivery?</p> <p>2. The total cost incurred by the Internal Audit Function for the financial year ended 31 July 2020 amounted to RM4,000 (2019: RM4,000) (page 28 of AR2020).</p> <p>a) Given that the fee is rather small (approximately RM333 per month), how does the audit committee assure itself that there would be adequate coverage and that the audit function is effective?</p> <p>b) How many internal audit reports were issued during FYE 2020? What areas did the internal audit reports cover?</p>
<b>Xidelang Holdings Ltd (AGM)</b>	<p>The Board has established a dividend policy to distribute up to 20% of XDL's profit after tax as dividend payment to shareholders. However, contradicting the dividend policy, no dividend was proposed during FPE 2020 (page 10 of AR 2020). The company posted RMB34.5 million in net profit for FPE 2020.</p> <p>What is the outlook for future dividend declaration?</p>
<b>CME Group Bhd (AGM)</b>	<p>The Chairman position of CME has been vacant since FY2000. The Board said it will continue to assess the need to fill the position from time to time (page 3 of Corporate Governance Report).</p> <p>Why does it take two decades for the Board to assess the need to appoint a chairman and to identify a suitable candidate to fill the position?</p>
<b>SC Estate Builder Bhd (AGM)</b>	<p>The total fee for the outsourced internal audit function of the Company during the FYE2020 (covering a period of 18 months) was RM12,000 (Page 59 of AR2020).</p> <p>Given that the fee is rather small (approximately RM667 per month), how does the audit committee assure itself that there would be adequate coverage and an effective audit function? What are the areas covered by the internal audit function? How many internal audit reports were issued during the said period?</p>