MSWG
MINORITY SHAREHOLDERS WATCH GROUP

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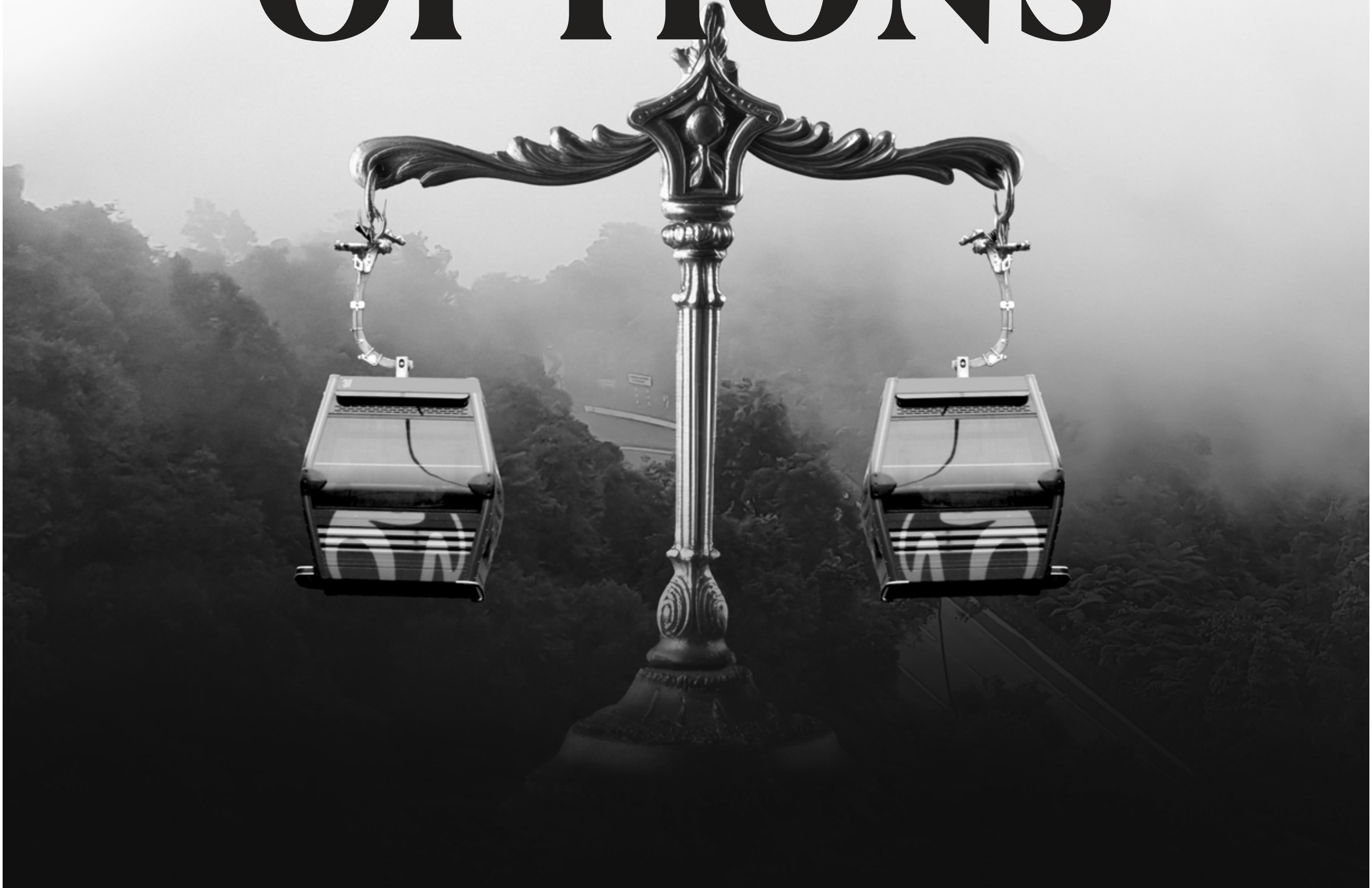
WEIGHING THE OPTIONS



As the closing of Genting's privatisation offer on Genting Malaysia approaches, minority shareholders find themselves in a dilemma.

A BIRD IN HAND OR TWO IN THE BUSH?

To the minority shareholder fraternity, Genting Berhad's privatisation bid for Genting Malaysia Berhad (GenM) delivers a sobering reminder that patience may not always yield fruit when the controlling shareholder decides to take home the crown jewel on its terms.

On paper, the RM2.35 offer price per share allows some investors to lock in a modest premium and sidestep future volatility. Rejecting it, however, keeps alive the possibility of material upside, especially the profound value that could come from GenM winning a full casino licence in New York downtown. But that choice also exposes minority shareholders to prolonged uncertainties.

For years, both Genting and GenM's share prices languished. Then, on 13 October 2025, Genting jolted the market with its RM6.7 billion proposal to buy out GenM, or RM2.35 per share — at only a 10% premium to its last traded price prior to the date of the Notice of the offer.

The offer is conditional upon Genting receiving enough acceptance to raise its shareholding above 50% of its voting shares in GenM. Genting held a 49.36% stake in GenM when the said deal was announced.

If successful, the RM6.7 billion privatisation exercise would mark the exit of a company listed on the Malaysian stock exchange almost four decades ago. It is also the largest privatisation deal since the takeover of Malaysia Airports Holdings Berhad, worth RM12 billion early this year.

Then known as Resorts World Bhd, GenM assumed its present name in 2009 – some 20 years after its shares were first traded on the Main Market of Bursa Malaysia on 22 December 1989. Meanwhile, Genting was listed on the local bourse much earlier on 28 December 1971.

Peculiar Timing

The timing of the offer raised immediate eyebrows. It coincided almost perfectly with GenM's high-stakes bid for a full casino licence in the borough of Queens, New York, where decisions are expected as early as 1 December.

GenM proposed a US$5.5billion resort next to the Aqueduct racetrack in Queens, offering US$600million for the licence and taxes of 56% on slots and 30% on table games.

GenM, once a market darling, never recovered to pre-COVID levels, partly weighed down by legacy related-party transactions (RPTs) that gradually saw the Company take control of the loss-making Empire Resorts LLC from the founding Lim family.

To aggravate matters, both Genting and GenM have also been booted out of the FBM KLCI, Malaysia's benchmark equity index on 6 December 2024.

Against this backdrop, analysts were unsurprised that Genting's offer was met with scepticism. With the potential upside and massive free float, many expected resistance from shareholders who consider RM2.35 per offer share deeply unattractive.

On the contrary, critics argue GenM's ambitious expansion plans in New York may be far less promising than portrayed, especially following the withdrawal of major contenders such as Wynn Resorts and MGM Resorts from the bidding race.

Nonetheless, the buyout exercise has been responsible for breaking GenM's stagnant share price. It has somehow provided GenM with some tailwind effect as its share price has found stability around the RM2.36 zone, which enables the Group to record a 7.2% gain year-to-date (YTD).

In the post-earnings update as of 29 August 2025, most research houses remained cautious. There were 11 'hold', four 'sell', and only three 'buy' calls on the stock.

In the same update, Bloomberg's consensus target price was RM2.06, implying a potential 12.34% decline over the next 12 months from the current share price (21 November) of RM2.35.

Not Fair and Not Reasonable

On 13 November 2025, Kenanga Investment Bank Berhad, the independent adviser (IA) for the exercise, recommended that shareholders reject Genting's offer price of RM2.35 per share to privatise its unit.

Kenanga IB concluded that the offer price is "not fair" as it is below GenM's sum-of-parts derived valuation. The offer price represents a discount of between 32.47% and 37.67% to GenM's estimated value of RM3.48 and RM3.77, and a 3.69% and 19.52% discount to the stock's one-year and two-year high market prices.

The IA is also of the opinion that GenM shares are relatively liquid with a two-year average monthly trading volume of 219.21 million shares, which represents 8.08% of free-float, which is above the FBM KLCI's average of 7.10%.

All in all, Kenanga IB contended that Genting's offer is "not reasonable" on the grounds that investors could sell shares on the open market if Genting can't acquire 90% to delist GenM. The price also disregards the Group's prospects tied to the New York licence and Empire Resorts restructuring.

GenM's non-interested directors echoed this view. They concur with Kenanga IB's opinion that the offer is "not fair" and "not reasonable", recommending shareholders reject the offer.

Accept or Reject?

The offer turned unconditional on 3 November 2025 after the cumulative stake held by Genting and its parties acting in concert crossed the 50% mark.

As of 18 November, Genting owned 3.44 billion, or 60.61% of GenM shares.

The deadline has been extended to 1 December 2025, but minority shareholders now find themselves boxed in. The controlling shareholder has time, resources, and multiple levers. Minority shareholders have only one question left: accept now, or fight and hope?

On the one hand, GenM's minority shareholders must surely be glad to see that the estimated value of their stock is much higher than the takeover price, reaffirming the notion that the counter indeed has significant upside. It further reinforces the belief to hold out for a potentially better deal.

Conversely, many long-time GenM shareholders have endured years of suppressed valuations, controversial corporate manoeuvres, and missed opportunities to unlock value. Now, just as the Company approaches a potentially game-changing milestone in the US, the buyout lands. To accept means crystallising a value that is far below the Company's intrinsic worth, but without future volatility.

In the end, each investor must measure their risk appetite and decide whether to take the "bird in hand" or hold out for the "two in the bush".

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MSWG
AGM/EGM WEEKLY WATCH

The following are the AGMs/EGMs of companies on the Minority Shareholders Watch Group's (MSWG) watch list for this week.

The summary of points of interest is highlighted here, while the details of the questions to the companies can be obtained via MSWG's website at www.mswg.org.my.

POINTS OF INTEREST

Company	Points/Issues to Be Raised
Salutica Berhad (AGM)	For FYE2025, Salutica recorded revenue of RM20.3 million, compared to RM21.3 million in the previous year. While volumes from existing consumer electronics product lines remained soft and new product developments experienced delays, revenue was supported by the commencement of shipments of servers for data processing centres. (Source: Page 17 of Annual Report 2025) a) What were the revenue and profit after tax (PAT) contributions from the consumer electronics segment in FYE2025? Does the Group expect this business segment to remain soft in the next financial year? b) Which product development(s) were delayed, and what were the main reasons for these delays? Additionally, what is the estimated revenue or profit shortfall attributable to these product development delays in FYE2025? c) The Group highlighted that a notable milestone in FYE2025 was the commencement of shipments of servers for data processing centres. i. How many units of servers for data processing centres have been shipped to date, and what is the expected order volume for FYE2026? ii. Are these shipments part of a one-off customer project, or does the Group expect recurring orders from the same client or other data centre operators? iii. What is the average selling price (ASP) and margin profile for these data processing centre servers compared to the Group's traditional consumer electronic products?

Company	Points/Issues to Be Raised
	iv. What is the total investment required for the new data processing centre server line, and what is the expected payback period or internal rate of return (IRR)?
Titijaya Land Berhad (AGM)	Following the 2025 construction incident, enhanced safety controls and contractor management systems have been embedded across all projects. (Source: Page 19 of Annual Report 2025) a) Please explain the Group's workplace safety and contractor measures that were introduced following the 2025 construction incident mentioned in the report. b) Was the Group fined by any regulatory body resulting from the construction accident? If yes, what was the amount of fine imposed?
Sersol Berhad (AGM)	The Group recorded a negative operating cash flow of RM7.55 million in FY 2025 against a cash balance of only RM0.76 million. Loan receivables amounting to RM0.10 million are due within 1 year while RM8.95 million are due within 2-5 years. In the event of delayed repayments or defaults, what contingency plans or recovery mechanisms are in place to protect shareholder value and ensure business continuity in the next 12 months?
Malton Berhad (AGM)	The Group carried unbilled sales of RM422 million as of 30 June 2025. Growth will be driven by a pipeline of launches with a total GDV of RM1.25 billion. (Page 22 of 2025 AR) a) What portion of the unbilled sales is expected to be recognised in FY2026? b) When does the Group plan to launch the RM1.25 billion GDV pipeline? c) What is the Group's sales target for FY2026?
Menang Corporation (M) Berhad (AGM)	While the Concession business is the primary revenue and profit contributor to the Group, the Property Development pipeline seems slow, with only two projects (Menang Perdana and a planned Menang Park @ Seremban 3) mentioned (page 16 of AR2025). a) Beyond the two projects, what is the detailed, phased master plan for developing the remaining 758.9 acres of land? b) Please explain the development potential of Menang land bank according to its geographical location.

Company	Points/Issues to Be Raised
	c) Does the Company see the urgency to accelerate the development of land assets to unlock shareholder value?
Oversea Enterprise Berhad (AGM)	The F&B segment recorded a lower loss before tax (LBT) of RM375,000 in FY2025 compared to a LBT of RM1.7 million in FY2024. This was mainly due to a 39% increase in revenue following the commencement of new outlets. Meanwhile, the manufacturing segment recorded a significantly higher profit before tax (PBT) of RM5.9 million (FY2024: RM757,000) despite only a 3% increase in revenue. (page 11 of AR 2025) a) How many new outlets were opened in FY2025? Please elaborate on the performance of each new outlet. b) When does the Group expect the F&B segment to turn around? c) What were the reasons for the substantial increase in PBT for the manufacturing segment? Is this level of profitability expected to be sustainable?
Kotra Industries Bhd (AGM)	For FY2025, the Group's international division recorded RM75.2 million in revenue, a slight increase from RM74.7 million in the previous year. This modest growth was achieved despite growing global trends toward local sourcing and self-sufficiency. a) Could the Group share a regional breakdown of the international revenue, such as from ASEAN and the Middle East? Which region is expected to grow the most in the coming years? b) Are the same product brands used across both domestic and international markets? c) In what ways have foreign counties' local sourcing trends affected Kotra's export markets? How is the Group adapting to these changes?
Harbour-Link Group Berhad (AGM)	The Group's fleet comprises 10 container vessels and 4 sets of tugs and barges, with a total capacity of 8,432 TEUs (Twenty-foot Equivalent Units). During the financial year 2025, the Group executed the sale of one container vessel with a capacity of 653 TEUs (Page 13 of the Annual Report (AR) 2025). a) What was the average utilisation rate of the container vessels in FY 2025 vis-à -vis that of FY 2024? b) What is the average age of the Group's container vessels?

Company	Points/Issues to Be Raised
	c) What are the planned acquisitions or disposals of the Group's fleet in FY 2026?
Scanwolf Corporation Berhad (AGM)	Despite higher revenue at RM91.14 million (FY2024: RM32.8 million) in FY2025, Scanwolf's net loss widened to RM11.18 million from RM6.5 million previously, primarily due to the impairment of property, plant and equipment amounting to RM4.9 million in the Flooring Manufacturing segment, as well as the absence of reversal gain of RM7.6 million from the termination of share options and waiver of debts of RM1.93 million. Among all, the Manufacturing division remained loss-making with a pre-tax loss of RM13.93 million vs FY2024: -RM4.65 million, despite years of efforts to turn it around. a) What further measures will management take to stop this division from bleeding losses? Will the Group consider exiting the Manufacturing business to fully focus on the profitable Construction business? b) The Manufacturing division recorded another impairment of RM4.79 million to its property, plant and equipment (PPE), following the same of RM6.25 million last year (pages 151 & 153, Note 27(a) – Segment Reporting, AR2025). What factors led to a lower recoverable value than the carrying amount for PPE in the latest impairment review?
Padini Holdings Berhad (AGM)	During the year, 16 stores were temporarily closed for renovation and relocation to improve store layout and enhance the customer experience. All 16 stores were reopened within the same year. As of the end of the financial year, 3 more stores were temporarily closed for renovation and are expected to reopen in the first quarter of FY2026. a) Could the Group provide details on the relocation areas for the 16 stores and how these locations are expected to improve store performance? b) What were the sales results before and after the renovations or relocations of the stores? c) With the three stores scheduled to reopen in Q1 2026, what is the expected impact on sales during the closure? How will the Group handle any delays in reopening?
YGL Convergence Berhad (AGM)	The software segment recorded higher net profit margin in FY2025. (page 17 of AR 2025)

Company	Points/Issues to Be Raised
	a) What are the key drivers supporting this improvement? b) How sustainable are these margins going forward? c) What percentage of software revenue now comes from recurring or subscription-based models?
Iconic Worldwide Berhad (AGM)	Although FY2025 revenue was lower at RM47.4 million (15-month FPE2024: RM50.33 million), IWB churned in a net profit of RM3.15 million (FPE2024: LAT RM117.11 million), driven by contributions from the Property Development division. a) Iconic Harmony in Alma, Bukit Mertajam is currently IWB's only active development project, with completion targeted in 2027. What other development projects are being prepared or planned to ensure continuity of earnings upon completion of Iconic Harmony? b) Iconic Harmony fetches a gross development value of RM255 million. What are the take-up rate and unbilled sales for this project? Based on unbilled sales, what is the projected revenue recognition timeline? c) In 2023, IWB acquired Goldenluck Development Sdn Bhd for RM39.8 million in cash via a related party transaction involving IWB's Executive Chairman Dato' Seri Tan Kean Tet and Executive Director Tan Seok Ying. Goldenluck owns a piece of 6.07 ha land in Paya Terubong on Penang Island. The acquired land is zoned as "forest" land. IWB had previously disclosed the possibility of residential development on the land. Has the Group submitted a rezoning application for the land? When is the expected approval for the application? d) Real Estate and Housing Developers' Association (Rehda) recently warned that the expansion of Sales and Services Tax (SST) from 1 July 2025 is likely to raise development costs and pressure margins for new projects. How will the expanded SST impact IWB's project costs and profitability in FY2026? Which key cost components (e.g., materials, labour, contractors, professional fees) are most

Company	Points/Issues to Be Raised
	affected? To what extent can these be passed on to buyers without dampening market demand?
Komarkcorp Berhad (AGM)	*"As of 30 June 2025, the carrying amounts of property, plant and equipment and right-of-use assets of the Group are RM67,268,565 and RM7,398,842 respectively. Indicators of impairment were observed, mainly due to the declining demand from the face mask segment and the underutilisation of the production facilities."* (Page 67 of AR2025) The Group holds RM2,857,431 worth of face mask inventories. (Page 65 of AR2025) a) In view of the continued losses and asset impairments as well as the high level of face mask inventories relative to the segment's revenue, has the Company considered the disposal of underutilised capacity? Please provide the rationale for your response. b) What is the expiry date of the face mask inventory?
EG Industries Berhad (AGM)	In June 2025, EG's PG2, spanning 22,500 square metres, commenced operations and is slated to begin mass production in 2H 2025 for a key US based customer. (page 8 of AR 2025) a) What is the production capacity of the PG2 facility? And what is the current utilisation rate? b) How much space will be occupied by the US customer? c) What percentage of the Group's total revenue is expected to be contributed by the US customer?
Chin Well Holdings Berhad (AGM)	The Group recorded a loss before tax of RM3.8 million in FY2025 despite a 9.6% increase in revenue. a) What turnaround strategies are being implemented to restore profitability in FY2026? b) What cost control measures are in place to reduce production, inventory and overhead expenses? c) Has management evaluated alternative revenue streams or value-added services that could mitigate margin erosion?
Media Prima Berhad (AGM)	In FY25, the Group recorded RM857.0 million revenue and RM20.7 million profit after tax ("PAT"), driven by a 21% rise in non-advertising revenue, notably 115% growth in content sales and an 11% increase in Home Shopping. (Source: Pages 23 and 24 of Annual Report 2025)

Company	Points/Issues to Be Raised
	a) Content sales revenue grew by an exceptional 115% to RM33.5 million in FY25, largely driven by successful film releases and improved content distribution sales to other media and Over-the-Top ("OTT") platforms. Will the strong content sales achieve in FY25 be sustainable going forward? i. Of the RM10.6 million content sales under Corporate & Others (Source: Page 144 of Annual Report 2025), how much came from film distribution vs recurring library/OTT licensing? How will this mix evolve in FY26 and how does management plan to stabilise and expand recurring income streams to mitigate volatility from film or event-driven earnings? ii. Also, given that the relocation of Sri Pentas to Balai Berita Bangsar generated efficiency gains, please quantify the recurring annual cost savings achieved from this consolidation. b) Excluding intersegment charges, Home Shopping segment recorded a PAT of RM1.4 million in FY25, a turnaround from an LAT of RM7.5 million in the prior year (Source: Pages 23 of Annual Report 2025). How sustainable is this turnaround, and is it expected to persist in FY26? i. The WOWSHOP MY app achieved strong early adoption through exclusive deals and personalised promotions. What is the take-up rate and user retention of the newly launched WOWSHOP MY app (for instance, number of registered users, active users, or share of total orders via the app)? ii. The home shopping partnership with ATOME introduced flexible installment payments, removed purchase barriers, and expanded the customer base. Regarding the partnership with ATOME, how much of total sales or order volume in FY25 was transacted using installment payments, and whether this partnership has expanded average basket size or improved repeat purchase rates? iii. How are these initiatives — the app ecosystem, installment payments, and proprietary in-house brands — expected to drive sustainable profitability in FY26 and beyond? What are the KPI targets (e.g. app Gross Merchandise Value ("GMV"), repeat rate, or contribution margin) tied to management's outlook for WOWSHOP's full-year profitability?

Company	Points/Issues to Be Raised
Globetronics Technology Berhad (AGM)	The global semiconductor industry faced prolonged weakness in consumer demand, unpredictable market fluctuations and heightened cost pressures, further exacerbated by foreign exchange volatility and geopolitical uncertainties, as with many technology companies. (page 21 of AR 2025) a) How does management foresee the industry outlook for FY2026 and the medium term, particularly with respect to consumer demand, cost pressures, foreign exchange volatility, and geopolitical uncertainties? b) How has the imposition of high US tariffs affected the Group's business?
MTAG Group Berhad (AGM)	The Group's revenue and earnings have declined consistently over the last five financial years. Revenue fell from RM193.6 million in FY2021 to RM73.4 million in FY2025 while net profit dropped from RM33.6 million to RM12.3 million over the same period. a) What does management identify as the key underlying causes of this sustained decline? What corrective measures are being implemented to address them? b) What is the Group's roadmap to restore revenue growth and improve profitability over the next 3–5 years?
Yong Tai Berhad (AGM)	In June 2025, YTB acquired Sumberjaya Builders Sdn Bhd for RM15 million in cash to develop two parcel landed mixed development projects at Lahad Datu and Tawau, Sabah, with a combined gross development value (GDV) of RM176.7 million and an expected development profit of RM40.6 million. a) Who are the targeted demographics for the two projects? Please elaborate on the potential buyer's profile and the demographics of the surrounding area. b) When is the launch timeline for the two projects? Please elaborate on the expected revenue recognition timeline for the two projects. c) How does the Group fund the development of these projects (with an estimated development cost of RM136.1 million), in view of the existing negative operating cash flow, low cash level and tight liquidity? What steps are being taken to improve liquidity and ensure sustainable cash generation?


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