



REAPING
RED FLAGS

The ghost from the past continues to haunt MAG Holdings when it is trying to start afresh with a new business pivot.

EMERGING RED FLAGS AT MAG HOLDINGS

A decade ago, MAG Holdings Berhad was not its current self.

It was XingHe Holdings Berhad, a China-based edible oil producer that arrived on Bursa Malaysia in 2014 during the wave of highly publicised China-linked "Red Chip" listings. At the time, investors were drawn to the promise of China's vast consumer market and the growth potential of Chinese businesses seeking capital from overseas exchanges.

The story did not unfold as planned.

Operating out of Henan Province, XingHe struggled with operational challenges, tightening environmental regulations and governance concerns. Over time, the business deteriorated, and by 2018 its Chinese operations had become increasingly unsustainable.

Faced with a declining core business, management embarked on a dramatic strategic shift.

In 2020, the Company rebranded itself as MAG Holdings and pivoted into aquaculture. Through a series of related-party transactions involving Executive Chairman Ng Min Lin, shrimp farming assets in Sabah were injected into the listed vehicle, transforming what had once been a struggling China-based edible oil company into a Malaysian aquaculture player.

For several years, the new strategy appeared to gain traction. MAG expanded its farming footprint, increased production capacity and positioned itself as an integrated shrimp producer.

Yet some legacy issues from its past operations in China continue to cast a shadow over the company.

A RM254.9 million Write-Off, Questionable Restructuring

The most striking item in the latest accounts is an RM254.9 million provision for a legacy loan related to the former China business. This is not merely an accounting adjustment. It represents a substantial destruction of shareholder capital.

What makes the impairment particularly troubling is that management had previously expressed confidence in the exposure's recoverability. The subsequent decision to fully provide for the balance raises questions about whether earlier assessments were overly optimistic.

More importantly, the impairment confirms that the economic loss had already occurred. The accounting provision simply acknowledges it.

The impairment stems from amounts owed by Henan Xinghe Oil & Fat Company Limited (HXOF), a former subsidiary.

According to the audited accounts, MAG had outstanding balances of RM270.3 million due from HXOF. Under a tripartite settlement arrangement, MAG agreed to waive RM254.9 million of the amount owed in exchange for:

- RM51.4 million from the disposal of its 19.86% equity interest in HXOF, and
- RM15.3 million repayment of advances.

While the arrangement may facilitate an exit from a problematic investment, it raises several concerns. Why was such a large exposure allowed to accumulate? What protections were in place? And how confident can shareholders be that the remaining recoveries will materialise?

Notably, the auditors identified this matter as a Key Audit Matter and engaged legal advisor to assess the substance and validity of the transactions, underscoring its significance.

Continuing to Invest in China

Despite the losses stemming from its historical exposure to China, MAG continues to commit substantial capital to new ventures in the country.

The company has invested more than RM150 million in a food processing project in China, comprising RM67 million in work-in-progress assets and RM83.5 million in advance payments for machinery and raw materials.

The facility is still not operational. Management has also disclosed that up to an additional RM40 million in working capital will be required before the plant becomes fully operational.

This raises a legitimate question: why is management increasing its exposure to a market in which a prior investment has already resulted in significant losses?

While the new project may ultimately succeed, shareholders are entitled to understand how the risks differ from those associated with earlier ventures in China.

Balance Sheet Under Pressure

The balance sheet has weakened materially during the latest financial period ended 31 December 2025.

Cash and cash equivalents fell from RM171.8 million to just RM3.2 million after adjusting for restricted balances. At the same time, total borrowings almost tripled to RM324.4 million from RM109.5 million previously.

Operating cash flow also turned negative with RM121.2 million used in operations despite higher revenue. This is a significant warning sign. Revenue growth is valuable only if it eventually translates into cash generation.

Another area of concern is receivables, which almost doubled to RM342.8 million from RM172.5 million a year earlier. Such a sharp increase raises questions about collection risk and the quality of reported earnings.

Taken together, the balance sheet now appears significantly more leveraged and financially stretched than in prior years.

Ghost from the Past

MAG's aquaculture assets may still hold considerable value. But investors should not overlook the warning signs emerging from the latest financial statements.

The combination of an RM254.9 million impairment, a controversial receivable restructuring, continued investment in China, rapidly rising receivables, increasing debt and negative operating cash flow points to a business facing growing financial and execution risks.

The key question is no longer whether MAG can continue expanding. It is whether management can demonstrate that growth is being pursued with appropriate financial discipline, effective risk management and prudent stewardship of shareholder capital.

[END]

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.

QUICK-TAKE

Date & Time	Company	Quick-take	Voting Position
15.06.26 (Mon) 8.00 am	ARB Berhad (AGM)	<p>ARB's FY2025 revenue surged 212% to RM308.8 million, mainly driven by the Platform segment, which contributed RM239.3 million (77% of total revenue). However, it slipped into a net loss of RM8.0 million mainly due to impairment losses, while the Platform segment itself recorded a RM12.4 million loss.</p> <p>Operating cash flow turned negative RM16.4 million, with cash balances declining sharply to RM5.3 million from RM21.7 million previously. The disclosed segment liabilities of only RM290,000 against RM200.9 million in segment assets also warrant further clarification.</p>	MSWG will vote "for" all resolutions tabled in the meeting.
15.06.26 (Mon) 9.00 am	Kinergy Advancement Berhad (AGM)	<p>KAB delivered a record FY2025 performance with revenue rose to RM478 million while PBT surged to RM39.3 million and PAT reached RM27.7 million, driven by strong execution across its SES and EPCC segments.</p> <p>SES revenue jumped 207.5% to RM328.2 million, contributing 69% of total Group revenue versus 49% previously, supported by major PETRONAS-linked projects including the 72MW Sipitang and 120MW Labuan gas power plants.</p> <p>Meanwhile, the EPCC segment remained stable at RM148.7 million, providing a backbone for the Group's expanding energy infrastructure portfolio. The</p>	MSWG will vote "against" Ordinary Resolutions 7 and 8 on the retention of long-serving INEDs.

Date & Time	Company	Quick-take	Voting Position
		Group also accelerated its transition into IPP ownership via the 1.5GW TTPC Perlis CCGT project with B.Grimm Power, marking KAB's largest and most strategic infrastructure venture to date.	
16.06.26 (Tue) 10.00 am	Hextar Industries Berhad (AGM)	The Group recorded a revenue of RM985 million for FY 2025, reflecting an increase from RM965 million in FY2024. The Group recorded a PBT of RM16.8 million in FY2025, a decrease from RM39.3 million in FY 2024, mainly attributable to initial setup and expansion costs incurred in relation to the Group's retail business.	MSWG will vote against the resolutions below: Ordinary Resolution 6 (Authority to allot shares): The Company's capital allocation strategies raise serious concerns in view of the historical precedents. All future fundraising exercises must require specific shareholder approval. Ordinary Resolution 7: The company should prioritise cash preservation and focus on core operations instead of share buybacks, which lost value from 35.4 sen to 28 sen.
16.06.26 (Tue) 10.00 am	KPJ Healthcare Berhad (AGM)	Despite a challenging environment, KPJ delivered strong performance in FY2025. The Malaysia segment, which contributed 99% of Group revenue, recorded revenue growth of 9% to RM4.20 billion and PBT growth of 2% to RM552.6 million. The Others segment achieved a turnaround, posting a PBT of RM10.9 million compared to a loss of RM7.6 million previously. However, rising healthcare and manpower costs moderated profitability, with EBITDA margin declining to 24.6% from 25.3%.	MSWG will vote "for" all resolutions tabled in the meeting.
16.06.26 (Tue) 10.00 am	Capital A Berhad (AGM)	Capital A's revenue stood at RM18.4 billion, a slight decrease from RM20.33 billion in FY2024. This movement was	MSWG will vote "for" all resolutions tabled in the meeting.

Date & Time	Company	Quick-take	Voting Position
		driven by a tourist slowdown in Thailand and the 11-month partial revenue recognition of the airline segment prior to its disposal. EBITDA stood at RM14 billion (FY2024: RM2.7 billion) and was primarily driven by an RM11.3 billion one-off gain on the disposal of its aviation subsidiaries.	
16.06.26 (Tue) 10.00 am	G3 Global Berhad (AGM)	For FYE 2025, the Group's revenue declined 83.8% to RM9.51 million, as the AIS3 project transitioned into its Defect Liability Period with minimal remaining activity. Loss after taxation narrowed to RM7.03 million from RM20.96 million in FY2024, largely due to the absence of prior year impairment charges of RM3.32 million, rather than genuine operational recovery. Accumulated losses now stand at RM92.03 million.	MSWG will vote "for" all resolutions tabled in the meeting.
16.06.26 (Tue) 10.30 am	G3 Global Berhad (EGM)	The Company is seeking shareholders' approval for the Proposed Reduction of approximately RM99.3 million of its issued share capital pursuant to Section 116 of the Companies Act 2016.	MSWG will vote "for" all resolutions tabled in the meeting.
16.06.26 (Tue) 10.00 am	Pertama Digital Berhad (AGM)	The Company remains an Affected Listed Issuer under Paragraph 8.03A, with shares suspended since 14 November 2025 and its regularisation plan pending Securities Commission approval.	MSWG will vote "for" all resolutions tabled in the meeting.
16.06.26 (Tue) 10.00 am	PBA Holdings Berhad (AGM)	<p>PBA registered a 7.7% increase in revenue to RM568.4 million in FY2025, primarily driven by higher water sales from its subsidiary, PBAPP. However, PAT declined 20.5% to RM114.6 million due to a more than doubling of tax expense following the derecognition of unutilised reinvestment allowances previously recognised for the Years of Assessment (YA) 2020 to 2024.</p> <p>Operationally, the Group remained resilient, serving a record 721,066 consumers while maintaining industry-leading service standards, low water disruption rates and healthy reserve margins.</p>	<p>MSWG will vote "against" the following resolutions:</p> <p>Resolutions 1 & 2 on the re-election of two active politicians.</p> <p>Resolution 7 on the approval of benefits payable to directors up to RM1.1 million. The proposed benefits payable is 69% higher than the previous approved threshold at RM0.65 million.</p>

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		<p>Looking ahead, management is advancing the RM2.1 billion Water Contingency Plan 2030, implementing revised water tariffs from July 2026 and evaluating the Perak-Penang Water Project to secure long-term water supply growth.</p>	<p>Resolution 10 on the retention of a long-serving INED.</p>
<p>16.06.26 (Tue) 11.00 am</p>	<p>Sapura Industrial Berhad (AGM)</p>	<p>For FY 2025, the Group recorded revenue of RM264.8 million, compared with RM287.0 million in the previous financial year. Profit after tax stood at RM7.1 million, compared with RM8.9 million in FY2025. The softer performance was mainly attributable to a higher degree of competition in the non-national automotive segment following the influx of Chinese OEMs, which affected supplied volumes.</p>	<p>MSWG will vote “for” all resolutions tabled in the meeting.</p>
<p>18.06.26 (Thur) 10.00 am</p>	<p>Privasia Technology Berhad (AGM)</p>	<p>In FY2025, Privasia delivered its strongest performance over the past five years, with revenue surging 184.9% to RM209.4 million mainly driven by the SAT segment and large-scale POP2 rollout under the JENDELA initiative.</p> <p>However, SAT gross margin weakened sharply to about 7%, a sign that earnings were still heavily influenced by lower-margin deployment activities.</p> <p>The Group is repositioning into a broader digital infrastructure and AI ecosystem anchored by its RM700 million SILVERSTREAMS Tier IV data centre project, targeted for commissioning around Q4 2027. Nevertheless, rising liabilities, negative operating cash flow and modest cash balances highlight increasing funding, execution and balance sheet risks.</p>	<p>MSWG will vote “for” all resolutions tabled in the meeting.</p>
<p>18.06.26 (Thur) 10.00 am</p>	<p>LFE Corporation Berhad (AGM)</p>	<p>The Group achieved record revenue of RM192.9 million in FY2025, a 25% increase from FY2024, driven by strong growth in its Construction & M&E segment, particularly from its expansion into data centre construction. While Profit After Tax declined to RM17.0</p>	<p>MSWG will vote “for” all resolutions tabled in the meeting.</p>

Date & Time	Company	Quick-take	Voting Position
		<p>million due to a lower-margin project mix, higher tax expenses, and a transition in property development activities, Profit Before Tax remained resilient at RM21.5 million. The Group also recorded a significant increase in joint venture profits to RM4.8 million, supported by contributions from its data centre construction partnership.</p>	
<p>18.06.26 (Thur) 10.00 am</p>	<p>Malaysian Resources Corporation Berhad (AGM)</p>	<p>The Group recorded revenue of RM1.20 billion in FY2025, down 27% y-o-y, while PBT declined slightly by 2% to RM73.2 million, mainly due to the timing of revenue recognition across its property development and construction projects.</p> <p>The Engineering, Construction & Environment (ECE) Division remained the key contributor, generating RM944.8 million in revenue and RM113.1 million in operating profit, supported by major projects such as the Kompleks Sukan Shah Alam (KSSA) redevelopment.</p> <p>Meanwhile, the Property Development & Investment (PDI) Division recorded RM171.1 million in revenue and reduced its operating loss to RM11.5 million, driven by stronger sales momentum in Australia and New Zealand.</p> <p>MRCB ended the year with a strong RM5.5 billion external construction order book, including the KSSA project, reinstated LRT3 stations, and PLUS Expressway expansion works, providing earnings visibility and supporting future growth.</p>	<p>MSWG will vote “for” all resolutions tabled in the meeting.</p>
<p>18.06.26 (Thur) 10.30 am</p>	<p>Harrisons Holdings (M) Berhad (AGM)</p>	<p>HARRISONS recorded an 1.9% increase in revenue to RM2.22 billion, driven primarily by growth in FMCG and chemical products. Meanwhile, PAT declined slightly by 1.7% to RM43.1 million due to rising labour costs, higher provisions for doubtful debts and increased operating expenses.</p> <p>The Group remains heavily reliant on its East Malaysian FMCG distribution</p>	<p>MSWG will vote “for” all resolutions tabled in the meeting.</p>

Date & Time	Company	Quick-take	Voting Position
		<p>business with Sabah and Sarawak contributing most of its profits. While Sarawak performed strongly, the Peninsular building materials business continued to face pressure from weak cement demand and intensifying competition. The Singapore retail operations recorded a larger loss than the previous year.</p>	
<p>18.06.26 (Thur) 11.00 am</p>	<p>Lii Hen Industries Bhd (AGM)</p>	<p>In 2025, the Group slipped to a loss with a net loss of RM12.21 million from a profit of RM17.60 million in 2024, as revenue declined 18.4% to RM522.48 million and gross margin shrank from 14.7% in 2024 to 6.4% in 2025. The downturn was driven by US protectionist measures, a stronger Ringgit, prolonged inflationary pressures in the core markets, and an RM5.5 million inventory write-down.</p>	<p>MSWG will vote FOR all resolutions except Ordinary Resolutions 2 and 9. Resolution 2 relates to the re-election of, and Resolution 9 relates to the retention of an INED who has served the Board for more than nine years.</p>
<p>18.06.26 (Thur) 11.00 am</p>	<p>Parkwood Holdings Berhad (AGM)</p>	<p>The Group reported a PBT of RM6.46 million in FY2025, compared to a loss of RM4.79 million in the previous year, mainly driven by a fair value gain on investment property despite lower revenue of RM15.4 million (FY2024: RM18.26 million).</p> <p>Shareholders' equity strengthened to RM178.51 million, supported by a corporate exercise completed in September 2025, while borrowings increased to RM67.51 million and net assets per share declined to RM0.30.</p> <p>During the year, the Group progressed key initiatives including the Rawang land acquisition, continued development of Avant Industrial Park, and sales contribution from Utamara Boutique Residences, reinforcing its long-term development pipeline.</p>	<p>MSWG will vote "for" all resolutions tabled in the meeting.</p>
<p>19.06.26 (Fri) 10.00 am</p>	<p>Coastal Contracts Bhd (AGM)</p>	<p>In FY2025, revenue fell to RM56.1 million (FY2024: RM77.7 million) due to slowdowns in vessel chartering, shipbuilding, and ship repair.</p> <p>The Group swung to a RM48.4 million net loss from a RM163.0 million profit in</p>	<p>MSWG will vote against Ordinary Resolution 6 on the retention of Ir. Intizam Ayub as an INED of the Company, given his tenure as an INED exceeded 9 years.</p>

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		<p>FY2024. This was driven by a RM41.3 million impairment loss, a RM86.0 million forex loss from a stronger Ringgit, and the absence of last year's RM147.7 million debt waiver. Higher profits from Mexican joint ventures partially offset the losses.</p>	
<p>19.06.26 (Fri) 10.00 am</p>	<p>Hextar Capital Berhad (AGM)</p>	<p>HEXCAP recorded revenue of RM84.8 million and returned to profitability with a net profit of RM3.4 million for the 15-month financial period ended 31 December 2025, compared with a net loss of RM3.9 million in FY2024.</p> <p>The turnaround was mainly driven by RM18.4 million in share of profits from associates, particularly Transgrid Ventures, as well as the absence of significant amortisation and goodwill impairment charges recognised in the previous year.</p> <p>Operating cash flow improved to a positive RM14.4 million from a negative RM31.5 million previously. Looking ahead, the Group is optimistic on opportunities from JENDELA Phase 2, construction projects and power transmission infrastructure investments.</p>	<p>MSWG will vote "for" all resolutions tabled in the meeting.</p>

POINTS OF INTEREST

Company	Points/Issues to Be Raised
<p>ARB Berhad (AGM)</p>	<p>The Platform segment contributed RM239.3 million or 77.5% of FY2025 revenue yet recorded a wider segment loss of RM12.4 million in FY2025 compared to prior year. (Source: Page 12 of Annual Report 2025)</p> <p>a) How was the Platform segment able to generate such substantial revenue in FY2025? Please explain the segment's underlying business and monetisation model.</p> <p>b) Why did the segment remain loss-making despite the substantial increase in revenue?</p>
<p>Kinergy Advancement Berhad (AGM)</p>	<p>In view of the Group's record growth and expanding energy portfolio, what are management considerations on dividend policy, and when can shareholders expect the transition towards sustainable recurring cash flow capable of supporting dividend distributions?</p>
<p>Hextar Industries Berhad (AGM)</p>	<p>For FY 2025, the Fertiliser division remains the primary engine of the Group, driving RM828.31 million (84.1%) of total revenue and generating RM117.5 million in gross profit. Despite this, the Company has proposed a related party transaction (RPT) to dispose of 3 fertiliser subsidiaries (PK Fert Sdn Bhd, PK Fertilizers Sdn Bhd and Hextar Fert Sdn Bhd, collectively known as "Target Companies") to Hextar Global Berhad, for a cash consideration of RM120.0 million. The costs of investment for these subsidiaries are RM0.18 million, RM194.4 million and RM125.6 million respectively.</p> <p>a) Please provide the explicit strategic or operational reasons as to why the fertiliser business fundamentally failed to deliver its expected returns, thereby causing such extensive capital destruction before being carved out at RM120 million (versus total cost of investment of RM320.18).</p> <p>b) The industrial and consumer segment recorded a segmental loss after tax of RM9.1 million for financial period ending 31 March 2026. What are the Board's specific mitigation plans to prevent the Group from slipping into a deep operational deficit during the post-divestment "earnings void" before the coffee and proposed Ilaollao networks achieve profitability?</p>

Company	Points/Issues to Be Raised
	<p>a) What definitive store-level payback periods has management established to ensure that the redeployment of RM100.0 million in disposal proceeds into the hyper-competitive F&B space will be value accretive?</p>
<p>Capital A Berhad (AGM)</p>	<p>The consolidated income statement indicates a net profit of RM13.4 billion, yet RM11.3 billion stems from the disposal of subsidiaries. It was noted from the unaudited financial statements for the financial period ended 31 March 2026, the net cash flow from operations was merely RM70.1 million while interest expense was RM36.2 million.</p> <p>a) What are the normalised and recurring operating cash flows across the remaining non-aviation portfolio for the next financial year?</p> <p>b) What are the upcoming cash flow management strategies or optimisation plans in place to ensure comfortable liquidity buffers over the next few quarters as the digital entities continue to scale?</p>
<p>G3 Global Berhad (AGM)</p>	<p>Following the completion of the Private Placement 2024 on 28 July 2025, the Group raised approximately RM5.09 million, of which RM4.82 million was allocated for existing and future projects. As at 17 April 2026, the full RM4.82 million remains entirely unutilised (Page 75 of AR 2025).</p> <p>a) Please specify the intended projects or investment areas for which the RM4.82 million was earmarked.</p> <p>b) What factors have contributed to the delay in deploying these proceeds, and what is the revised utilisation timeline?</p> <p>c) If the proceeds remain unutilised beyond the initially stated timeframe of 12-months, what alternative deployment plans or capital management strategies will be considered?</p>
<p>Pasdec Holdings Berhad (AGM)</p>	<p>Completed but unsold properties amount to RM44.10 million, almost all of them commercial, and the commercial portion reduced by less than RM0.9 million during the year (Note 17, Pages 113 and 114 of AR 2025).</p> <p>a) What specific strategies and initiatives has PASDEC implemented to accelerate the sale of these completed commercial units?</p>

Company	Points/Issues to Be Raised
	<p>How long have these units been completed and unsold, and what is the plan to clear the much older stock or unsold properties?</p>
<p>Sapura Industrial Berhad (AGM)</p>	<p>The Sustainability Statement on Page 37 reveals that the proportion of spending on local suppliers decreased from 51% in FY2025 to just 27% in FY2026 due to the unexpected closure of a key domestic vendor. Sourcing these technical inputs from overseas inevitably introduces structural supply line friction and foreign exchange volatility.</p> <p>a) What is the precise impact of this international substitution on the cost of sales?</p> <p>b) Given the extensive transaction volumes referenced in the Note 33 financial instrument risk profile, what formal currency hedging strategies or forward-rate mechanisms are currently utilised to insulate operating margins against adverse swings in the Ringgit against the major foreign currencies?</p>
<p>Privasia Technology Berhad (AGM)</p>	<p>The SILVERSTREAMS data centre project in Bagan Datuk, Perak involves a RM569 million EPCC contract with planned 10.06MW capacity, targeted for completion by late 2027. The Group expects recurring income from colocation and leasing services, though execution, utilisation and regulatory risks remain key concerns. (Source: Page 36 of Annual Report 2025)</p> <p>a) What is the update on customer onboarding efforts, including any indicative precommitments or targeted occupancy levels secured to date?</p> <p>b) What is the latest funding strategy for the data centre project, which carries an estimated CAPEX of approximately RM700 million, and how does management plan to manage gearing, liquidity and cash flow requirements throughout the construction phase, particularly given the Group's cash balance of only RM4.4 million and negative operating cash flow of RM9.3 million in FY2025?</p> <p>c) What utilisation or occupancy level is required for the data centre project to achieve sustainable profitability and targeted returns once operational?</p>
<p>LFE Corporation Berhad (AGM)</p>	<p>As of 31 December 2025, the Group recorded an outstanding order book of approximately RM245 million, consisting of RM175 million from construction projects involving</p>

Company	Points/Issues to Be Raised																				
	<p>developers, factories, hotels, and data centres, together with RM70 million in intercompany works for the Gurun East development project. (Source: Page 8 of AR2025)</p> <p>a) Could the Board provide an update on the Group’s current tender pipeline and the estimated value of projects being negotiated over the next 12 to 24 months?</p> <p>b) Given that RM70 million of the outstanding order book relates to intercompany works under the Gurun East project, could the Board disclose the actual amount attributable to external construction projects secured from third parties?</p>																				
<p>Malaysian Resources Corporation Berhad (AGM)</p>	<p>In 2025, the Group received three (3) whistleblowing reports, all of which were reviewed, investigated, and addressed appropriately. The investigation outcomes were reported to the Board through the quarterly Anti-Bribery and Corruption updates. (Source: Page 278 of IAR2025).</p> <p>a) Could the Board clarify the nature and severity of the three whistleblowing cases received in 2025?</p> <p>b) What actions were taken in relation to the whistleblowing cases that were “addressed appropriately”, and did any of these cases lead to disciplinary action or escalation to regulatory or enforcement authorities?</p> <p>c) Does the Board consider current whistleblowing disclosures sufficiently transparent, and will it enhance future reporting with more detailed breakdowns of cases and outcomes?</p>																				
<p>Harrisons Holdings (M) Berhad (AGM)</p>	<p>Trade receivables grew faster than revenue. (page 9, 126, 139 and 140 of AR 2025)</p> <table border="1" data-bbox="547 1576 1366 1821"> <thead> <tr> <th></th> <th>FY2024</th> <th>FY2025</th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>RM2,174m</td> <td>RM2,216m</td> <td>+1.9%</td> </tr> <tr> <td>Gross Trade Receivables</td> <td>RM363.4m</td> <td>RM378.1m</td> <td>+4.0%</td> </tr> <tr> <td>ECL Provision</td> <td>RM28.1m</td> <td>RM33.2m</td> <td>+18.0%</td> </tr> <tr> <td>Receivables more than 90 days past due</td> <td>RM21.4m</td> <td>RM27.0m</td> <td>+25.8%</td> </tr> </tbody> </table> <p>a) The Group’s trade receivables increased by 4% despite revenue growing only 1.9% while expected credit loss (ECL) provisions rose 18%. What is driving the</p>		FY2024	FY2025	Change	Revenue	RM2,174m	RM2,216m	+1.9%	Gross Trade Receivables	RM363.4m	RM378.1m	+4.0%	ECL Provision	RM28.1m	RM33.2m	+18.0%	Receivables more than 90 days past due	RM21.4m	RM27.0m	+25.8%
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Company	Points/Issues to Be Raised
	<p>deterioration in receivables quality? Does this reflect weaker customer financial health or changes in credit terms?</p> <p>b) Receivables overdue by more than 90 days increased 26% from RM21.4 million to RM27.0 million. Which business segments are contributing to this increase? What actions are being taken to recover these debts?</p>
Lii Hen Industries Bhd (AGM)	<p>Revenue from all three major customers fell sharply in 2025, with Customer A dropping from RM101.2 million in 2024 to RM54.4 million in 2025, Customer B from RM80.3 million in 2024 to RM57.4 million in 2025, and Customer C from RM80.1 million in 2024 to RM68.3 million in 2025 (Note 33, Page 167 of AR 2025).</p> <p>It is also noted that for “Other product categories”, panel office products declined sharply by 34% (Page 18 of AR 2025).</p> <p>a) What is the order outlook from these three major customers for 2026? Are volumes expected to recover?</p> <p>b) What drove the 34% fall in panel office products? Is it cyclical or structural?</p>
Parkwood Holdings Berhad (AGM)	<p>The Group’s revenue declined by 15% to RM15.44 million (FY2024: RM18.26 million), mainly due to reduced revenue recognition from the Property Development segment. This was largely caused by certain units sold where legal title transfer and vacant possession have yet to be completed, which are prerequisites for revenue recognition. (Source: Page 12 of AR2025).</p> <p>a) Please clarify which projects are facing the largest delays and provide the estimated amount of revenue currently pending recognition.</p> <p>a) What is the current status of unresolved legal title transfers and vacant possession cases, and how many have remained pending for over 6 months or 12 months?</p>
Coastal Contracts Bhd (AGM)	<p>The primary engine of operational profitability is entirely housed within the 50%-owned Mexican joint venture, Coastoil Dynamic, S.A. de C.V. (CODY), which achieved a 19% increase in profit before tax to RM233.9 million.</p> <p>Given that Petroleos Mexicanos (Pemex) represents a highly concentrated sovereign counterparty risk profile, what explicit</p>

Company	Points/Issues to Be Raised
	legal and structural frameworks govern the cash repatriation and dividend upstreaming protocols from CODY back to the Malaysian parent entity?

[END]

Special Announcement

The poster features the MSWG logo (Minority Shareholders Watch Group) at the top left. To the right are three circular icons: '4 CPD HOURS', 'WEBINAR SESSION', and 'HRD CLAIMABLE'. The main title is 'SUSTAINABILITY, GOVERNANCE AND INVESTOR EXPECTATIONS IN ASIA' in large, bold, dark blue letters. Below the title is the subtitle 'FROM DISCLOSURE TO STRATEGY'. The date and time are listed as '24 JUNE 2026 WEDNESDAY' and '9.00 AM - 1.00 PM'. A Microsoft Teams icon and the text 'MICROSOFT TEAMS' are present. A QR code is shown with the text 'Scan the QR Code for more details'. At the bottom, there are social media icons for LinkedIn, Instagram, Facebook, YouTube, and X, along with the handle '@MSWGMalaysia' and the website 'mswg.org.my'. The background of the poster shows a hand holding a magnifying glass over a line graph on a screen.

DISCLOSURE OF INTERESTS

With regard to the companies mentioned, MSWG holds a minimum number of shares in all the companies covered in this newsletter.

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