



The Official Newsletter from MSWG **Observer**

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Shareholders' rejection of RRPT mandates across the Tan Chong Group of companies may have hogged the limelight, but the defeat of four corporate governance-related resolutions deserves equal attention and scrutiny.

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REJECTED BUT NOT RESOLVED, GOVERNANCE CONCERNS LINGER IN TAN CHONG

Amid the market brouhaha over shareholders' rejections of recurring related-party transaction (RRPT) mandates involving Tan Chong Motor Holdings Berhad's group of companies, another development at the Company's recent AGM deserves equal attention from a corporate governance perspective.

Specifically, the four resolutions (Resolutions 12 to 15) tabled at the AGM were sought to strengthen Tan Chong's governance framework through enhanced remuneration committee oversight, independent assessment of material asset disposals, greater transparency in capital allocation decisions and a more robust conflict-of-interest (COI) governance framework.

These resolutions were proposed by a group of minority shareholders comprising Tan Boon Pun, Tan Hoe Pin, Tan Beng Keong and Tan Ban Leong, who collectively own approximately 12% of Tan Chong. The quartet are sons of the late Tan Sri Tan Kim Hor, co-founder of the Tan Chong Group together with his brother, the late Tan Sri Tan Yuet Foh. The latter was the father of Tan Chong's president, Dato' Tan Heng Chew.

Prior to the AGM, a representative of the requisitioning shareholders reached out to MSWG, expressing their concerns over Tan Chong's RRPTs, transparency and capital allocation. The requisitioning group stressed that existing governance arrangements had not evolved with changing shareholders' expectations and contemporary corporate governance standards. This culminated in the tabling of the four resolutions at the AGM, calling for greater oversight and accountability.

Despite their governance-oriented objectives, the resolutions were decisively defeated. A total of 108.65 million shares (24% of votes cast) supported the proposals, while 343.86 million shares (76%) voted against them.

A review of the voting results indicates that Tan Chong Consolidated Sdn Bhd (TCC), the Company's largest shareholder and an entity controlled by Heng Chew, voted against the resolutions. Collectively, interests associated with Heng Chew represent approximately 44.64% of Tan Chong's issued shares, equivalent to 290.86 million shares.

Why CG Concerns Are Mounting

The governance debate cannot be divorced from Tan Chong's financial performance. The Company has reported losses for six consecutive financial years since FY2020 and has remained in the red for 14 consecutive quarters. Most recently, Tan Chong recorded a net loss of RM12.18 million for the quarter ended 31 March 2026.

Although the Group reported a modest profit in 1QFY2025, this was largely attributable to fair value gains of RM54 million arising from investment property revaluations. In

recent years, Tan Chong has been in a tight spot amid the evolving and competitive automotive industry.

Against this backdrop, shareholders are inherently placing greater scrutiny on capital allocation decisions, related-party transactions and governance safeguards.

Secondly, from a minority shareholder perspective, substantial RRPTs involving entities with overlapping directorships and common controlling interests inevitably raise concerns regarding potential COI, even where such transactions are commercially justified and conducted on arm's-length terms.

The issue is not so much about legality or compliance but whether governance mechanisms are sufficiently robust to ensure independent oversight and equitable treatment of all shareholders.

At the AGM, RRPT mandates involving Tan Chong, Warisan TC Holdings Berhad and APM Automotive Holdings Berhad reportedly exceeded RM400 million in aggregate. Given the scale of these transactions and the shared leadership roles across the companies, it is understandable that minority shareholders would seek greater transparency and assurance regarding the governance of these arrangements.

More broadly, the coordinated opposition to RRPT mandates across the respective AGMs signals a growing willingness among minority shareholders to actively exercise their voting rights. Rather than merely raising questions, shareholders have increasingly utilised voting mechanisms to express dissatisfaction and pressure boards to reassess governance practices, operational structures and capital allocation priorities.

What Does the Rejection Tell?

From a governance standpoint, the four resolutions were neither radical nor unprecedented.

Similar shareholder-driven governance initiatives have emerged in other listed companies. Minority shareholders of Talam Transform Berhad recently sought an EGM to appoint forensic auditors to review selected transactions and investments.

Another case in point, in 2022, minority shareholder Apollo Asia Fund urged Scientex Packaging (Ayer Keroh) Berhad to adopt higher governance standards and resume regular shareholder briefings. Both proposals were ultimately rejected by controlling shareholders.

During Tan Chong's AGM, MSWG called upon the controlling shareholder to voluntarily abstain from voting on the four resolutions. We argued that since the resolutions were non-binding, there was little downside in allowing the outcome to reflect the views of independent and minority shareholders. Such an approach would better indicate

minority shareholder sentiment and demonstrate whether concerns over governance, transparency and oversight were shared more broadly beyond the requisitioning shareholders.

The controlling shareholder, however, declined to abstain and exercised its voting rights.

Another point of contention concerned the non-binding nature of the resolutions. MSWG also questioned why the Board had tabled the proposals as ordinary resolutions with no binding effect, when the Companies Act provides mechanisms for shareholders to propose resolutions with binding effect.

In Tan Chong's case, the Board did not make a representation as to whether these resolutions would or would not be in the best interest of the Company. Nevertheless, the overwhelming opposition from the controlling shareholder bloc may be perceived by some investors as a reluctance to embrace governance enhancements that would strengthen independent oversight and accountability.

Perception matters in corporate. Even when controlling shareholders believe existing governance arrangements are adequate, their resistance to proposals focused on transparency, accountability and oversight may raise questions among investors about the Company's governance culture and openness to reform.

But things are more intricate in Tan Chong.

Not only does the rejection reflect the divergence in view between majority and minority shareholders, but it also suggests a deeper division between the two branches of the Tan family. For seasoned investors, this is reminiscent of a high-profile family feud involving the two factions decades ago.

In 2001, the Kim Hor family filed a petition in the High Court to wind up TCC, seeking a distribution of assets in specie. The petition was filed against the descendants of Yuet Foh, who had co-founded Tan Chong with Kim Hor in the early 1970s. Following Yuet Foh's passing in 1985, his sons, led by Heng Chew, controlled 55.4% of TCC while Kim Hor's clan held the remaining 44.6%.

The dispute was ultimately settled out of court in 2009 after the court ruled in favour of hearing the dissolution application. The terms of settlement were never publicly disclosed.

For Tan Chong, the defeat of the four governance-related resolutions is unlikely to put the matter to rest. If anything, it marks the beginning of heightened scrutiny over whether the underlying concerns are being adequately addressed.

As financial challenges persist and substantial RRPTs are transacted, investors will be watching closely how the Board demonstrates independent oversight, manages potential COIs and allocates capital in the best interests of all shareholders.

After all, good corporate governance is not measured solely by the outcome of resolutions. Rather, it is reflected in a board's willingness to engage constructively with dissenting views, respond meaningfully to legitimate shareholder concerns and foster confidence that the company is being managed with transparency, accountability and fairness.

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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.

QUICK-TAKE

Date & Time	Company	Quick-take	Voting Position
22.06.26 (Mon) 9.30 am	Jaks Resources Berhad (AGM)	<p>JAKS delivered resilient performance in FY2025 despite a challenging operating environment. Revenue increased by 7% to RM54.4 million; however, PBT declined to RM9.5 million from RM46.8 million in FY2024. This is mainly due to a one-off property disposal gain of RM54.6 million in FY2024.</p> <p>The Group's earnings remain heavily reliant on its Vietnam power joint venture, while its construction and property divisions continue to incur losses, reflecting ongoing weaknesses in core operations.</p> <p>Management has adopted a prudent approach by conserving cash and not declaring dividends, while pivoting towards renewable energy through new solar projects to support long-term growth. Overall, JAKS has made strategic progress, but it has yet to achieve balanced and sustainable profitability across its business segments.</p>	MSWG will vote "FOR" all resolutions tabled in the meeting.
23.06.26 (Tue) 10.00 am	Aeon Credit Service (M) Berhad (AGM)	<p>AEONCR reported a higher revenue of RM2.47 billion vs RM2.2 billion previously. Net profit was marginally higher at RM385.88 million compared to RM370.61 million, notwithstanding a higher share of losses (RM85.22 million vs RM68.33 million previously) from the 50%-owned associate, AEON Bank, in FY2026. AEON Bank is expected to incur</p>	MSWG will vote "FOR" all resolutions tabled in the meeting.

Date & Time	Company	Quick-take	Voting Position
		<p>losses, in line with its roadmap to achieve breakeven by its fifth year of operation.</p>	
<p>23.06.26 (Tue) 10.00 am</p>	<p>Suria Capital Holdings Berhad (AGM)</p>	<p>The Group delivered a strong performance in FY2025, with PAT increasing significantly to RM46.1 million from RM33.9 million in 2024, representing a 36.1% improvement. Revenue rose by 2.5% to RM277.7 million, compared to RM271.0 million in the previous year.</p> <p>The improvements were primarily driven by stronger earnings from the property development segment, particularly higher revenue recognition under the Joint Development Agreement for the Jesselton Docklands project, which offset lower contributions from port operations. Nonetheless, port operations continue to underpin the Group's core earnings base and long-term strategic positioning.</p>	<p>MSWG will vote against Resolution 1 on the re-election of a long-serving INED who has served for 11 years and 11 months.</p>
<p>23.06.26 (Tue) 10.00 am</p>	<p>Time dotCom Berhad (AGM)</p>	<p>TIME delivered another strong and record FY2025 with revenue rising 6% to RM1.79 billion and PAT increasing 11% to RM427.1 million. Retail remained the key growth engine, with revenue up 12% as subscribers exceeded 512,000 and premises passed surpassed 2 million. Enterprise and Wholesale also recorded growth, supported by cloud adoption, data centre demand and ASEAN connectivity. Operating cash flow strengthened to RM793 million while the Group maintained an almost debt-free balance sheet with RM473 million net cash despite paying RM1.1 billion in dividends.</p>	<p>MSWG will vote "FOR" all resolutions tabled in the meeting.</p>
<p>24.06.26 (Wed) 11.00 am</p>	<p>Tropicana Corporation Berhad (AGM)</p>	<p>For FY2025, the Group recorded revenue of RM1.5 billion, an increase of 6.6% y-o-y, mainly driven by higher progress billings across key projects.</p> <p>LBT was reduced to RM12.9 million from RM117.1 million previously, supported by improved operational performance, lower finance costs, and the absence of</p>	<p>MSWG will vote "FOR" all resolutions tabled in the meeting.</p>

Date & Time	Company	Quick-take	Voting Position
		<p>the prior year's one-off asset disposal loss.</p> <p>As at 31 December 2025, it maintained a strong balance sheet, with cash and bank balances of RM656.6 million, total equity of RM5.2 billion, and unbilled sales of RM2.0 billion, providing earnings visibility for the future.</p>	
24.06.26 (Wed) 11.00 am	MSM Malaysia Holdings Berhad (AGM)	<p>MSM's revenue declined 12.7% to RM3.1 billion in FY2025 as average selling prices fell sharply amid global sugar oversupply, lower NY11 prices, compressed white premiums, a stronger Ringgit and intensified domestic competition. The Group recorded a loss before tax and zakat of RM374.9 million versus a profit before tax and zakat of RM75.0 million in FY2024, mainly due to a RM360 million non-cash impairment of non-financial assets and weaker margins.</p> <p>Production was deliberately moderated with utilisation declining to 49% to protect margins and cash flow. Looking ahead, the Group expects favourable raw sugar costs but remains focused on operational efficiency, working capital discipline and profitability recovery.</p>	MSWG will vote "FOR" all resolutions tabled in the meeting.
25.06.26 (Thur) 9.30 am	NTPM Holdings Berhad (EGM)	<p>The Company is seeking shareholders' approval for the proposed disposal by NTPM (International) Pte Ltd (NTPMI), an indirect wholly-owned subsidiary of the Company, of its entire equity interest in NTPM (Vietnam) Co., Ltd. (NTPMV) to a related party, Arch Peninsula Sdn. Bhd. (APSB), for a cash consideration of USD32.0 million, subject to adjustments.</p>	MSWG will vote "FOR" all resolutions tabled in the meeting.
25.06.26 (Thur) 9.30 am	CTOS Digital Berhad (AGM)	<p>CTOS delivered a steady FY2025 with revenue growing 7.0% to RM326.1 million, supported by strong performances from the Direct-to-Consumer (+42.8%), International (+17.5%) and Decision Analytics (+20.1%) segments. Gross profit remained largely</p>	MSWG will vote "FOR" all resolutions tabled in the meeting.

Date & Time	Company	Quick-take	Voting Position
		stable at RM221.5 million, while profit from continuing operations declined 19.7% to RM82.0 million amid investments in cloud infrastructure, AI capabilities, product development and talent. Reported earnings were supported by a RM17.9 million gain from the disposal of its 26% stake in Experian Malaysia. The Group maintained healthy profitability and strengthened its balance sheet, reducing borrowings by 36.9% to RM104.1 million.	
25.06.26 (Thur) 11.30 am	CTOS Digital Berhad (EGM)	The Group proposes to grant up to 2.7 million ESOS options to Mr. Ankur Sehgal, the Executive Director and Group CEO, under the ESOS scheme. The options will be granted in a single tranche and remain subject to vesting periods, vesting conditions and performance targets to be determined by the ESOS Committee.	MSWG will vote "FOR" all resolutions tabled in the meeting.
25.06.26 (Thur) 10.00 am	Mah Sing Group Berhad (AGM)	The Group's FY2025 revenue remained consistent with FY2024 at approximately RM2.52 billion. The Property Development segment was the leading contributor, accounting for 79.39% of total revenue. Meanwhile, PBT rose 13.61% to RM382.94 million. This improved bottomline was driven by higher gross profits and a one-off subsidiary disposal gain, despite higher administrative, selling, and marketing expenses.	MSWG will vote "FOR" all resolutions tabled in the meeting.
25.06.26 (Thur) 10.30 am	AirAsia X Berhad (AGM)	The Company's revenue grew by 2.75% to RM3.35 billion in FY2025, up from RM3.26 billion in FY2024. This positive top-line movement was primarily driven by ancillary revenue to RM1.1 billion. Conversely, core EBITDA contracted significantly by 33.10% to RM322.34 million from RM481.79 million. This decrease was caused by a spike in fleet maintenance and overhaul costs and rising user charges.	MSWG will vote "FOR" all resolutions tabled in the meeting.
25.06.26 (Thur) 10.30 am	Heitech Padu Berhad (AGM)	HeiTech delivered a transformational FY2025, with revenue surging 93.3% to RM651.2 million and PBT rising more	MSWG will vote "FOR" all resolutions tabled in the meeting.

Date & Time	Company	Quick-take	Voting Position
		<p>than fourfold to RM22.7 million, driven primarily by strong execution of major public-sector projects. Earnings visibility was further strengthened by the RM903 million LEP project and the subsequent 18% increase in the NISe contract value to RM1.05 billion. However, profitability remained highly dependent on the Public Business Group, while the Private Sector Group unexpectedly swung to a RM15.2 million loss despite generating RM77.0 million in revenue.</p>	
<p>25.06.26 (Thur) 11.00 am</p>	<p>Artroniq Berhad (AGM)</p>	<p>For FY2025, revenue was RM10.38 million over 12 months against RM38.17 million over the prior 18 months, with almost all revenue now from semiconductors as ICT segment performance weakened. Net loss narrowed to RM7.62 million from RM31.41 million, largely from the absence of substantial impairments incurred previously.</p>	<p>MSWG will vote "FOR" all resolutions tabled in the meeting.</p>
<p>26.06.26 (Fri) 9.00 am</p>	<p>Teck Guan Perdana Berhad (AGM)</p>	<p>For FYE 31 January 2026, the Group's revenue increased by 43.3% y-o-y to RM518.6 million. However, PBT declined to RM23.6 million, mainly due to weaker performance in the cocoa products segment, including inventory markdowns following lower cocoa powder market prices.</p> <p>This resulted in a lower net profit recorded at RM17.7 million, compared to RM21.2 million previously.</p>	<p>MSWG will vote 'FOR' all resolutions</p>
<p>26.06.26 (Fri) 10.00 am</p>	<p>Senheng New Retail Berhad (AGM)</p>	<p>For FY2025, the Group reported revenue of RM1.15 billion and PBT of RM13.2 million, compared to RM1.22 billion and RM18.8 million respectively in the previous year, primarily due to weaker consumer sentiment and softer demand for discretionary products.</p> <p>Nevertheless, disciplined cost management and operational efficiencies under the Flywheel strategy helped preserve profitability. The Group also recorded encouraging early results</p>	<p>MSWG will vote 'FOR' all resolutions</p>

Date & Time	Company	Quick-take	Voting Position
		<p>from the trial of its Point-Based Economy (PBE) Business Model, with fourth-quarter revenue increasing by approximately 18.2% quarter-on-quarter, driven by improved customer participation and repeat engagement.</p>	
<p>26.06.26 (Fri) 10.00 am</p>	<p>China Ouhua Winery Holdings Limited (AGM)</p>	<p>CNOUHUA recorded a 19.8% decline in revenue to RMB11.5 million in FY2025 due to weak consumer demand, intense competition in China's wine market and declining popularity of both red and white wines.</p> <p>The Group reported a net loss of RMB6.0 million, significantly improved from the RMB49.1 million loss in FY2024, largely due to the absence of a major impairment of RMB43.4 million on property, plant and equipment incurred previously.</p> <p>Excluding this one-off impairment, underlying operating performance remained weak.</p> <p>Despite ongoing losses, the balance sheet remains debt-free with cash of RMB13.8 million and sufficient liquidity for at least the next 24 months.</p>	<p>MSWG will vote 'FOR' all resolutions</p>

POINTS OF INTEREST

Company	Points/Issues to Be Raised
<p>JAKS Resources Berhad (AGM)</p>	<p>For 2025, the Group's performance was supported mainly due to the share of profit from JV amounting to RM120.6 million. Given that construction and property investment division have been making losses, what is the management's plan and timeline to turn these 2 core business divisions into profitability? (Source: 2025 Annual Report - Management discussion and analysis section)</p>
<p>Kronologi Asia Berhad (AGM)</p>	<ol style="list-style-type: none"> <li data-bbox="539 517 1390 763"> <p>An impairment loss of RM17.7 million was recognised in respect of the Cloud Solution Centre following the conclusion of a contractual technology partnership with Quantum Corporation in FY2026. (Source: Page 80 of Annual Report 2026)</p> <p>What are Management's plans to repurpose, commercialise or improve utilisation of these assets going forward?</p> <li data-bbox="539 808 1390 1249"> <p>Practice 13.1 of the Malaysian Code of Corporate Governance (MCCG) states that the notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.</p> <p>Last year, the Company stated that it would endeavour to issue AGM notices at least 28 days before the AGM. However, the 2026 AGM notice was issued 26 days before the meeting. (Source: Page 64 of Corporate Governance Report 2025)</p> <p>What prevented the Company from delivering on this commitment?</p>
<p>Aeon Credit Service (M) Berhad (AGM)</p>	<p>The allowance for impairment loss on financing receivables moderated to RM24.67 million compared to RM81.7 million previously (page 202 of AR2026). However, receivables written off during the year increased to RM793.39 million from RM675.99 million previously. All in all, total impairment losses, including write-offs, increased by 8% y-o-y to RM818 million from RM758 million (page 23, Q4FY2026 financial results briefing).</p> <ol style="list-style-type: none"> <li data-bbox="539 1570 1390 1816"> <p>The increase in write-offs to RM793.39 million appears substantial despite the lower impairment allowance recorded during the year.</p> <p>Does this indicate that certain legacy delinquent accounts have now been fully written off, or is it a sign of broader deterioration in repayment behaviour among borrowers?</p> <li data-bbox="539 1861 1390 1921"> <p>What is the breakdown of the RM818 million impairment loss by financing products?</p>

Company	Points/Issues to Be Raised
	<p>Which financing products and customer segments contributed the most to impairment losses in FY2026?</p> <p>c) Given the Group's strategy of expanding towards more affluent customer segments, has Management observed meaningful improvement in credit quality, collection efficiency, or delinquency rates?</p> <p>If so, please state the benefits achieved thus far.</p> <p>d) We noted that net credit costs (NCC) rose 25 basis points to 4.12% from 3.87% previously, due to higher expected credit losses from receivables growth and a rise in delinquent accounts.</p> <p>What is Management's expectation of NCC in FY2027?</p>
Suria Capital Holdings Berhad (AGM)	<p>SCHB recognised a share of profit of RM9.02 million (FY2024: RM2.03 million) from its 49%-owned associate, DPW Sabah Sdn Bhd (DPWS) in FY2025 (page 197 of AR2025).</p> <p>As disclosed, DPWS is a JV between Sabah Ports Sdn Bhd (SPSB, a wholly-owned subsidiary of SCHB) and DP World FZE to jointly operate and manage Sapangar Bay Container Port (SBCP).</p> <p>Under the collaboration agreement, SPSB is entitled to receive various fixed payments from DPWS, comprising annual land lease payments, annual concession fees, and rental for infrastructure and equipment to be payable over the term of collaboration agreement (page 198 of AR2025).</p> <p>a) Of the total financial contribution derived from DPWS in FY2025, how much was attributable to the share of profit and fixed payments received under the collaboration agreement?</p> <p>b) How are the annual land lease payments, concession fees, and infrastructure/equipment rentals accounted for in SCHB's financial statements?</p> <p>c) What was the total amount received by SPSB from DPWS under these contractual arrangements during FY2025, and how did this compare with FY2024?</p> <p>d) Is the share of profit recognised subject to external factors or port performance, i.e., higher container throughput, tariff revisions?</p> <p>e) What is Management's expectation for DPWS's earnings contribution and cash distributions to SCHB over the next three to five years?</p>

Company	Points/Issues to Be Raised
Jiankun International Berhad (AGM)	<p>The Group's investment properties in HuiZhou, China declined significantly from RM13.53 million in FY2024 to RM9.57 million in FY2025 following fair value losses. (Source: Page 164 of AR2025).</p> <ul style="list-style-type: none"> a) If property market conditions in China continue to weaken, does the Board expect further downward revaluation losses on the Group's investment properties? b) The Group has cited regulatory and permitting risks as a key concern. (Source: Page 14 of AR2025). Have there been any recent regulatory or permitting changes affecting its China operations or investment properties, and what is their estimated financial or operational impact? c) What is the current occupancy rate of the China investment properties compared with FY2024, and does the Board expect any near-term improvement in leasing demand and occupancy levels? d) What is the Board's outlook on the China property market over the next 12-24 months, and has the Board evaluated the potential disposal of the China assets to mitigate further valuation declines?
Adventa Berhad (AGM)	<p>The Company's subsidiary is involved in litigation with Wellesta Truelife Sdn. Bhd. arising from a 2017 Warehousing and Distribution Agreement. On 31 October 2025, the Sessions Court ruled in favour of the counterparty, awarding damages, interest, and costs, and dismissing the subsidiary's counterclaim.</p> <p>The Group has filed an appeal to the High Court, which remains pending, with a decision expected on 20 May 2026, and is of the view, based on legal advice, that there are reasonable grounds for the appeal. (Source: Page 142 of AR2025).</p> <ul style="list-style-type: none"> a) On what grounds was the Group's counterclaim of RM232,949 dismissed, and what does this indicate about the strength of the Group's legal position? b) What would be the Group's total estimated liability arising from the court judgment, including damages, interest, and costs, and does this estimate also include any further legal fees incurred during the appeal process? c) What is the current status of the High Court appeal? In addition, if the appeal is unsuccessful, how will the Group fund the settlement, and what impact is expected on its liquidity position and debt covenants?
Zetrix AI Berhad (AGM)	ZETRIX FY2025 earnings growth was primarily driven by Web3 applications, including MBI, ZTrade, ZCert, Digital ID registrations and

Company	Points/Issues to Be Raised
	<p>transactions, together with the sale of Zetrix tokens and Layer-1 nodes.</p> <p>a) Can the Board provide a breakdown of FY2025 revenue and profit contribution from:</p> <ol style="list-style-type: none"> i. Web3 transaction fees; ii. Digital ID services; iii. ZTrade; iv. Token sales; v. Layer-1 node sales; and vi. Traditional e-Government services. <p>b) What proportion of FY2025 revenue is derived from Traditional e-Government services and new AI and blockchain businesses, and how is this expected to evolve?</p> <p>c) What proportion of FY2025 Web3 revenue is attributable to recurring streams versus one-off items such as token sales and node sales?</p>
<p>Techna-X Berhad (AGM)</p>	<p>The External Auditors issued a Qualified Opinion due to their inability to obtain sufficient audit evidence relating to HK Aerospace Beidou New Energy Industry Technology Co. Ltd. ("HKAB"), in which the Group holds a 50% equity interest, the HKAB Disposal Group and its associate, Guangxi Aerospace Beidou New Energy Industry Technology Co., Ltd. ("GANBEIT"), which has been placed into bankruptcy proceedings in China. The audit qualification has persisted for two consecutive reporting periods despite the Group's ongoing efforts to dispose of its investment in HKAB. (Source: Pages 117-118 of Annual Report 2025)</p> <p>a) Why has the Board been unable to resolve this matter after two consecutive reporting periods, and what specific actions are being taken to obtain access to the underlying records and achieve an unqualified audit opinion?</p> <p>b) One of the conditions precedents for the proposed disposal of the Group's 50% equity interest in HKAB was the waiver of approximately RM14 million owing by directors. (Source: Page 102 of Annual Report 2025)</p> <p>What is the nature of this amount, how did it arise, why did the Board agree to waive it instead of pursuing recovery, and what financial impact was recognised by the Group? Any recovery alternatives were considered prior to agreeing to the waiver?</p>
<p>Tropicana Corporation Berhad (AGM)</p>	<p>Health and safety risks are managed through Hazard Identification, Risk Assessment and Risk Control (HIRARC), implemented during planning and construction and updated throughout execution. Risk focus areas include coastal exposure at Tropicana Cenang (Langkawi), waterfront and tidal conditions in Johor developments,</p>

Company	Points/Issues to Be Raised
	<p>and slope and elevated terrain risks at Tropicana Grandhill (Genting Highlands). (Source: Page 140 of AR2025).</p> <p>According to the report, over 1,000 out of 34,000 slopes in Malaysia are classified as high- risk of collapse, particularly during the monsoon season. Authorities are enhancing monitoring, drainage inspections, early warning systems, and emergency response measures to manage potential landslide risks. (Source: https://www.straitstimes.com/asia/se-asia/over-1000-slopes-in-malaysia-at-high-risk-of-collapse-says-minister).</p> <p>a) We note that the Genting Highlands area faces elevated risks of slope failure during monsoon periods, which could significantly impact project safety and continuity. With the growing frequency of extreme weather and over 1,000 high-risk slopes nationwide, has the Board reviewed whether its HIRARC approach is sufficiently proactive, or still largely focused on compliance rather than early risk detection in highland areas?</p> <p>What independent third-party verification is undertaken for slope stabilisation and retaining works at Tropicana Grandhill, apart from internal engineering assessments?</p> <p>b) Given that lifting operations in elevated terrain are high-risk activities, how does the Group ensure the stability of crane pad foundations, and what criteria must be met before operations resume after prolonged rainfall?</p> <p>c) How do risk parameters for Johor waterfront developments compare with those applied to Tropicana Cenang in Langkawi, given the differences in their coastal profiles?</p>
MSM Malaysia Holdings Berhad (AGM)	MSM recorded a loss before tax and zakat of RM374.9 million in FY2025. Excluding the RM360 million impairment, underlying profitability also weakened significantly. What specific financial and operational targets have the Group set for FY2026 and FY2027 to restore sustainable profitability?
Cuscapi Berhad (AGM)	<p>The Sustainability Statement reports an overall anti-corruption training participation rate of 52% in FY2025. However, based on the employee-category breakdown, only 9 out of 39 employees appear to have received training, equivalent to approximately 23%. (Source: Pages 30 and 35 of Annual Report 2025)</p> <p>How was the 52% participation rate derived, and are the two disclosures based on different employee populations or methodologies?</p>
CTOS Digital Berhad (AGM)	CTOS's major revenue contributor, CTOS Data Systems Sdn Bhd ("CDS"), is currently enjoying a second 5-year extension of its pioneer status tax exemption, which will officially expire on 8 November

Company	Points/Issues to Be Raised
	<p>2026. Once this lapses, the effective tax rate could surge back toward the normal statutory rate. (Source: Note 10, page 275 of 2025 Annual Report)</p> <p>a) What concrete steps is the management taking to apply for a third tax exemption extension post-November 2026, and what is the probability of approval under the current framework?</p> <p>b) If the extension is rejected, what is the projected impact on FY2027 net profit margins and the dividend payout ratio?</p>
Efficient E-Solutions Berhad (AGM)	<p>The Group reported strong growth in its Document Storage segment, with revenue increasing 21.3% to RM19.4 million in FY2025, while EDMS services experienced softer demand. (Source: Page 12 of Annual Report 2025)</p> <p>a) Given that both offerings serve customers' document management needs, what key challenges are affecting EDMS demand, and what measures are being taken to drive growth in this segment?</p> <p>b) What percentage of the Group's storage customers currently utilise the Group's EDMS solutions, and how does management intend to expand the uptake of scanning, digitisation and EDMS solutions within its growing document management customer base?</p>
AirAsia X Berhad (AGM)	<p>In the latest Quarterly Report, under the Review of Group Performance on Page 15, the Company states that "Operating cash flow was positive due to overall improvement in the business." However, the Unaudited Condensed Consolidated Cash Flow Statement on Page 6 reports net cash used in operating activities of RM397.4 million.</p> <p>The negative operating cash flow appears to have been primarily driven by a significant increase in receivables and prepayments, which resulted in a cash outflow of approximately RM4.53 billion during the quarter.</p> <p>a) Please clarify how the statement regarding positive operating cash flow should be reconciled with the reported net operating cash outflow of RM397.4 million?</p> <p>b) Note 18 indicates that the increase in prepayments relates mainly to fuel advances and prepaid engine maintenance. To what extent do these substantial prepayments reflect the Group's commercial arrangements with fuel suppliers and maintenance, repair and overhaul (MRO) providers? Are such advance payment requirements consistent with normal industry practice or do they reflect specific risk considerations applicable to the Group?</p>

Company	Points/Issues to Be Raised
Heitech Padu Berhad (AGM)	<p>The Group successfully achieved ANSI/TIA-942-B:2017 Rated-3 certification for the HeiTech Village 2 (“HTV2”) Data Centre during FY2025. (Source: Pages 22, 34 and 59 of Annual Report 2025)</p> <p>What is the current utilisation rate and occupancy level of the data centre and its revenue contribution in FY2025? Are there plans to expand capacity to capitalise on growing demand from cloud and AI-related workloads?</p>
Artroniq Berhad (AGM)	<p>The e-bike segment recorded no revenue but a loss of RM2.61 million, with an electric motorcycle introduction targeted for the first half of 2026 (Pages 18 and 165 of AR 2025).</p> <p>A deposit of RM2.89 million is held with PT Terang Dunia Internusa Tbk in Indonesia for the purchase of inventories, e-bikes (Page 149 of AR 2025).</p> <p>a) When does this segment expect to record its first sales? How much has been invested and committed in total to bring the product to the introduction stage?</p> <p>b) In the event that the product introduction is deferred or discontinued, is the RM2.89 million deposit refundable? What is the recovery position?</p>
Teck Guan Perdana Berhad (AGM)	<p>The Group commenced systematic biodiversity data collection and assessments in FY2025, including biodiversity risk evaluations, identification of protected or restored habitats, and screening against the IUCN Red List and relevant national conservation lists.</p> <p>The enhanced disclosures in FY2025 and FY2026 reflect improvements in sustainability data management systems, a broader assessment scope, and strengthened internal reporting controls.</p> <p>Details of the relevant biodiversity and environmental performance indicators are disclosed on page 69 of the Annual Report 2026.</p> <p>a) The Group increased biodiversity risk assessment coverage from 10% in FY2025 to 60% in FY2026. What is the target timeline for completing assessments across the remaining operations and projects?</p> <p>b) We note that protected or restored habitat areas increased from 46.69 hectares in FY2025 to 53.87 hectares in FY2026. What percentage of the Group's total landbank is currently allocated to habitat protection or restoration?</p> <p>c) As formal biodiversity assessments commenced only in FY2025, what assurance can the Board provide that the FY2026 biodiversity data is complete and reliable, given that the</p>

Company	Points/Issues to Be Raised
	<p>Sustainability Statement has not been subject to independent external assurance? Does the Group plan to pursue external assurance in the future?</p>
<p>China Ouhua Winery Holdings Limited (AGM)</p>	<ol style="list-style-type: none"> 1. The Group has repeatedly highlighted the need for new business ventures. <ol style="list-style-type: none"> a) Please provide a clear timeline for identifying, evaluating and executing a new business venture. b) What sectors are currently under consideration, and what key criteria will be used to assess potential acquisitions or investments? 2. <i>"Operating performance in both years was severely impacted by the stagnant Chinese wine market as consumer demand for both red and white wine has weakened notably."</i> (page 14 of AR 2025) <p>Given the prolonged weakness in China's wine market and recurring losses, does the Group still believe the wine business can achieve sustainable profitability?</p>
<p>Zen Tech International Berhad (AGM)</p>	<ol style="list-style-type: none"> 1. The external auditors have issued a Qualified Opinion on the financial statements as they were unable to obtain sufficient appropriate audit evidence regarding several critical transactions, namely: <ul style="list-style-type: none"> • loss on disposal of subsidiary of RM3.875 million; • impairment loss of associates of RM6.125 million; and • profit guarantee receivable of RM2.3 million. (Page 110 of the annual report (AR) 2025) <ol style="list-style-type: none"> a) Why supporting documents are not available to the auditors? b) What specific actions have been taken to resolve these issues? c) Does the Board expect these audit qualifications to be resolved in the next audit cycle? If not, what are the remaining obstacles? d) With regard to the acquisition of Alpha Fintech Sdn. Bhd., was there any recourse available to the Company in the event that the vendor failed to meet the guaranteed minimum profit targets? If not, what were the reasons for the absence of safeguards to protect the Company's interests? 2. The external auditors draw attention to Note 3 in the financial statements, which indicates that the Group and the Company incurred a net loss of RM19,517,129 and RM11,514,800 respectively during the financial year ended 31 December 2025 and that the Group's current liabilities exceeded its current assets

Company	Points/Issues to Be Raised
	<p>by RM8,748,483 as at that date. As stated in Note 3, these conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. (Page 110 of the AR 2025)</p> <p>a) How does the Board plan to address the abovementioned issues highlighted by the external auditors?</p> <p>b) On the issue of current liabilities exceeding current assets, is the Company able to meet its short-term obligations in FY2026?</p>

[END]

Special Announcement

MSWG
MINORITY SHAREHOLDERS WATCH GROUP

4 CPD HOURS
WEBINAR SESSION
HRD CERTIFIED

SUSTAINABILITY, GOVERNANCE AND INVESTOR EXPECTATIONS IN ASIA
FROM DISCLOSURE TO STRATEGY

24 JUNE 2026 WEDNESDAY 9.00 AM - 1.00 PM

MICROSOFT TEAMS

Scan the QR Code for more details

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MSWG
MINORITY SHAREHOLDERS WATCH GROUP

8 CPD HOURS
IN-PERSON SESSION
HRD CERTIFIED

FRAUD, SCANDALS & GOVERNANCE RED FLAGS
DETECT, ESCALATE AND PREVENT

12 AUGUST 2026 WEDNESDAY 9.00 AM - 5.00 PM
AICB CENTRE OF EXCELLENCE, KUALA LUMPUR

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MINORITY SHAREHOLDERS WATCH GROUP

8 CPD HOURS  

FINANCIAL CRIME OUTLOOK 2026

Understanding the Environment, Governance Expectations, and Strategic Response

13 AUGUST 2026
THURSDAY  **AICB CENTRE OF EXCELLENCE,**
KUALA LUMPUR

9.00 AM - 5.00 PM



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MINORITY SHAREHOLDERS WATCH GROUP

8 CPD HOURS  

AML/CFT GOVERNANCE AND BOARD OVERSIGHT

Understanding Risk, Regulatory Expectations, and Leadership Accountability

18 AUGUST 2026
TUESDAY  **AICB CENTRE OF EXCELLENCE,**
KUALA LUMPUR

9.00 AM - 5.00 PM



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MINORITY SHAREHOLDERS WATCH GROUP

16 CPD HOURS  

ENTERPRISE RISK MANAGEMENT (ERM)

Building Organisational Resilience through Structured Risk Oversight

19 & 20 AUGUST 2026
WEDNESDAY & THURSDAY  **THE MAJESTIC HOTEL,**
KUALA LUMPUR

9.00 AM - 5.00 PM



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MINORITY SHAREHOLDERS WATCH GROUP

4 CPD HOURS 

GOVERNANCE THAT EARNS TRUST

WORKING WITH MCCG

27 AUGUST 2026
THURSDAY  **MICROSOFT TEAMS**

9.00 AM - 1.00 PM



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