MSWG
MINORITY SHAREHOLDERS WATCH GROUP

The Observer

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In corporate, concrete strategy, measures and clear outcomes speak the loudest.

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SHOOTING FOR THE STARS

Every four years, football fans around the world rediscover the dangerous beauty of hope. Suddenly, every team has a chance. Every coach has a system. Every striker is "one tournament away" from greatness. Even teams that barely scraped through qualification start talking about lifting the trophy. Such is the magic of the World Cup. For a few weeks, reality is suspended, optimism becomes national policy, and everyone believes that with enough passion, discipline and perhaps a little divine intervention, the impossible may yet happen.

Listed companies sometimes have their own World Cup moments too. They do not call them World Cups, of course. That would be too honest. Instead, they are called transformation plans, strategic roadmaps, Vision 2030, or in TDM Berhad's case, FOCUS 30. The language is polished, the graphics are impressive, and the ambition is usually admirable. There will be pillars, enablers, thrusts, pathways, resilience, value creation and, inevitably, some form of sustainable growth. If football has formations, corporate strategy has frameworks. If football has slogans painted on dressing room walls, annual reports have strategic taglines in bold fonts.

The Game Plan

To be fair, there is nothing wrong with ambition. Shareholders should welcome management teams that think beyond the next quarter. A listed company without ambition is like a football team entering the World Cup merely hoping not to concede too many goals. Nobody wants that. Shareholders want growth. They want clearer strategy. They want management to compete, to improve and to create value.

TDM's FOCUS 30 sets out several clear targets by FY2030. These include achieving a market capitalisation of RM1.5 billion, Group PAT of RM126 million, cumulative dividends of RM45 million, Plantation PAT of RM98 million, Healthcare PAT of RM50 million, fresh fruit bunches (FFB) production of 475,676 MT, outside crop purchase (OCP) of 100,000 MT, and 907 operating beds in the healthcare division. The Company also describes the plan as a five-year strategic business plan for FY2026 to FY2030, supported by portfolio management, capital management, asset management and thought leadership, with people, process, technology and branding as enablers.

That is a full tournament campaign. Not just one match. Not just a friendly. This is qualification, group stage, knockout round, semi-final and final all rolled into one. The trophy, in this case, is a much larger TDM by 2030.

The Scoreboard Does Not Lie

But as every football fan knows, tactics boards are beautiful before kick-off. Reality begins when the referee blows the whistle.

The most eye-catching target is the RM1.5 billion market capitalisation. TDM's current market capitalisation is around RM353 million, based on its stock information page and Bursa-linked market data. That means TDM would need to add roughly RM1.15 billion in market value by 2030. Assuming the number of issued shares remains unchanged, TDM's share price would need to climb to 87.13 sen, from 20.5 sen currently, to achieve this milestone. To put this into perspective, the stock has not traded above 50 sen since July 2017. In football terms, this is not chasing a one-goal deficit. This is being four goals down with 20 minutes to play and still telling the fans to keep believing because "the boys are showing good energy".

Can it be done? In theory, yes. Football has seen miracle comebacks. Markets too have seen dramatic reratings. But miracles are not strategies. If a company wants shareholders to believe in a five-fold increase in market value, shareholders are entitled to ask: where are the goals coming from? Is the striker earnings growth? Is the midfielder asset monetisation? Is the goalkeeper capital discipline? Or are we simply hoping for a favourable bounce from Mr Market?

Then there is the target of Group PAT of RM126 million. For FY2025, TDM reported PAT of RM21.2 million, up from RM3.7 million in FY2024. That is a strong improvement, and credit should be given where it is due. But the 2030 target is still nearly six times FY2025 PAT.

In football language, scoring one goal last season is good. Scoring six next season is better. But if the coach says the team will soon average six goals per match, fans will want to know whether new forwards are arriving, whether the formation is changing, or whether the opposition has agreed to play without defenders.

For TDM, the questions are straightforward. What annual growth rate in earnings is required to reach RM126 million PAT by 2030? How much will come from Plantation? How much from Healthcare? How much depends on commodity prices? How much depends on hospital expansion? How much depends on acquisitions, new capacity, cost savings or balance sheet restructuring? The target is clear. The pathway must be equally clear.

The Plantation Midfield

The Plantation Division has been TDM's stronger performer in FY2025. Revenue rose to RM399.5 million from RM291.2 million, while Plantation PBT increased to RM47.1 million from RM8.2 million. The improvement was driven by higher sales volumes, stronger realised prices and tighter cost discipline. FFB production increased to 305,809 MT, CPO production rose to 78,268 MT, and OCP increased sharply to 97,291 MT.

Against that, FOCUS 30 targets Plantation PAT of RM98 million, FFB production of 475,676 mt and OCP of 100,000 mt. The OCP target appears close to the FY2025 level, but the FFB production and profitability targets are much more demanding. The plantation team is not starting from zero. It has momentum. But moving from a good season to championship-winning form is a different matter.

The natural question is whether FY2025 was a structural turning point or a very good match played under favourable weather. Plantation earnings are affected by CPO prices, labour availability, fertiliser application, estate age profile, harvesting efficiency and mill utilisation. If the plan assumes continued firm commodity prices, shareholders should know. If it assumes material productivity gains from replanting and mechanisation, shareholders should know that too. Otherwise, the target risks sounding like a coach saying, “We will press higher, pass better and score more,” which is uplifting, but not quite a tactical plan.

The Healthcare Attacking Line

The Healthcare Division is perhaps even more interesting. TDM currently owns and operates five specialist hospitals with 421 beds. Under FOCUS 30, the target is 1,062 beds in capacity and 907 operating beds by 2030. That means operating beds would need to more than double from the current base.

Again, ambition is not the problem. Healthcare can be a compelling growth segment. Demand for quality healthcare remains strong, and TDM’s KMI brand has a presence in several locations. But hospital expansion is not like adding a substitute in the 70th minute. Beds require capital, specialists, nurses, equipment, regulatory approvals, patient demand, payer mix and utilisation. A hospital bed is only valuable if it is staffed, used and profitable.

For FY2025, Healthcare revenue increased to RM368.6 million from RM354.4 million, but Healthcare PBT declined to RM24.4 million from RM31.1 million, affected by higher staffing and consumables expenses as well as pricing pressure from panel insurance agreements. The 2030 target is Healthcare PAT of RM50 million. The gap is not impossible, but it is not a tap-in either. It requires more than simply adding beds. It requires profitable beds.

In football terms, there is no point buying five new strikers if the midfield cannot supply the ball and the wage bill crushes the club.

FOCUS 30 also targets cumulative dividends of RM45 million, with a stated 3% dividend yield. Year-on-year, the Company distributed a lower dividend of 0.32 sen per share amounting to RM5.51 million to shareholders in FY2025, compared to 0.37 sen or RM6.38 million in FY2024.

Shareholders like dividends. That is not controversial. In football terms, dividends are the post-match lap of honour. But a club should not celebrate before winning the match. If TDM is to deliver RM45 million in cumulative dividends while also funding plantation productivity, healthcare expansion and balance sheet resilience, shareholders should understand the capital allocation playbook.

Will dividends come mainly from improved operating cash flow? Will borrowings rise? Will assets be monetised? Will there be acquisitions? Will capex be deferred? The dividend target may be achievable, but it should be reconciled against the growth targets. Otherwise, shareholders may wonder whether the same player is being asked to defend, attack, take penalties and sell tickets at the gate.

Shareholders Watch the Full Match

The larger governance point is this: shareholders do track. They may not shout from the stands every minute, but they remember the score. They remember previous plans. They remember targets. They compare what was promised with what was delivered. A glossy new strategy does not erase the old scoreboard.

That is why long-term targets must be accompanied by milestones. If 2030 is the final, then what does qualification look like in 2026? What should shareholders expect by 2027? What is the half-time score in 2028? At what point should the Board say the strategy is on track, ahead of schedule, or in need of tactical changes?

Without interim milestones, shareholders are asked to wait until full-time before knowing whether the game was ever under control. That is not good enough. Investors do not need management to guarantee the future. They need management to explain the assumptions, risks and execution path clearly enough for shareholders to judge whether the plan is credible.

Final Whistle

The issue is not whether TDM should aim high. It should. The issue is whether FOCUS 30 is supported by a sufficiently detailed roadmap that connects today's position to tomorrow's target. A RM1.5 billion market capitalisation from a current base of about RM353 million requires either a major earnings uplift, a valuation rerating, corporate activity, or some combination of all three. A RM126 million PAT target requires substantial operational improvement. A 907 operating bed target requires serious execution in healthcare. A RM45 million dividend target requires cash discipline.

In football, nobody minds a coach saying he wants to win the World Cup. But fans become suspicious when the same coach cannot explain the starting eleven.

FOCUS 30 is bold. It is ambitious. It gives shareholders something to measure. That itself is positive. Many companies prefer vague statements about "enhancing value" and "exploring opportunities", which is the corporate equivalent of passing sideways for 90 minutes and calling it possession football.

But bold targets invite bold questions. If management sets the target, shareholders have every right to test the target. That is not hostility. That is ownership. Shareholders are not spectators who bought tickets for entertainment. They are owners of the club.

So yes, shoot for the stars. Aim for RM1.5 billion. Target RM126 million PAT. Expand the hospitals. Improve the plantations. Pay the dividends. Dream of lifting the trophy. But please show us the formation, squad depth, qualifying route and half-time milestones. Because in football, as in the capital market, hope is wonderful.

But hope is not a strategy.

[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
13.07.26 (Mon) 10.30 am	Salutica Berhad (EGM)	The Company proposes a RM100 million capital reduction to eliminate its accumulated losses of RM86.2 million as at 31 March 2026 and create a capital reserve buffer for future losses. The losses were mainly attributable to its wholly owned subsidiary, arising from weak order volumes, excess production capacity, impairment charges, legal expenses, and workforce restructuring costs. The proposal is a non-cash accounting exercise that does not affect shareholders' ownership, the number of shares in issue or involve any cash outflow.	MSWG will vote "FOR" all resolutions tabled in the meeting.
14.07.26 (Tue) 10.00 am	Ecobuilt Holdings Berhad (EGM)	The Company proposes to diversify its earnings base to include property development and trading of building materials. The Company also intends to enter into various recurrent related party transactions of revenue in nature which include construction services and trading of building materials.	MSWG will vote "ÄGAINST" Ordinary Resolutions 1 to 3 as the proposals do not address Ecobuilt's underlying financial and liquidity challenges, expose the Group to greater financial and related-party risks, and are unlikely to create sustainable long-term shareholder value.

Date & Time	Company	Quick-take	Voting Position
14.07.26 (Tue) 10.00 am	Suria Capital Holdings Berhad (EGM)	Suria Capital is seeking shareholders' approval for a proposed JV (via a 70:30 ownership) with NRG Consortium (Sabah) Sdn Bhd, a Sabah state-owned entity, to enter into the power generation business. With that, the Company also seeks greenlight for its proposed business diversification into the power sector as the new business may contribute 25% or more to its net profit. The JV entails the development of a 100 MW gas-fired peaking power plant in Kimanis, Sabah for a total cost of RM938.6 million.	MSWG will vote "FOR" all resolutions tabled in the meeting.
15.07.26 (Wed) 10.00 am	Sapura Resources Berhad (AGM)	Revenue fell 28.2% to RM59.5 million in FYE2026, mainly due to the loss of the anchor tenant at Sapura@Mines and the discontinuation of the aircraft management and retail businesses. However, the Group returned to profitability with a net profit of RM7.2 million (FYE2025: net loss of RM1.4 million), supported by stronger earnings from IBSB and TCI, improved property operations, and higher occupancy at Menara Permata Sapura. Profitability also strengthened, with gross profit and EBITDA margins rising to 95% and 65%, respectively.	MSWG will vote "FOR" all resolutions tabled in the meeting.
15.07.26 (Wed) 10.30 am	Trive Property Group Berhad (AGM)	The Group recorded revenue of RM13.08 million for the 18-month FPE 2026, contributed by recurring rental income through leasing of Persoft Tower. The Group reported a net profit of RM1.16 million for the same period mainly due to reversal of impairment losses.	MSWG will vote "AGAINST" Ordinary Resolutions – ▪ 3 & 8 (Re-election and retention of a long-serving INED); ▪ 5 (Dual directorship of an ED); ▪ 6 and 7 (There was material inconsistencies in the audited financial statements, raising concerns over financial reporting

Date & Time	Company	Quick-take	Voting Position
			and audit quality); and ▪ 9 (the Company still has substantial unutilised fundraising proceeds, with no clear turnaround strategy to justify further shareholder dilution)
15.07.26 (Wed) 12.00 pm	Trive Property Group Berhad (EGM)	Trive proposed to establish a Share Issuance Scheme (SIS) of up to 15% of the total number of issued shares (excluding treasury shares, if any) at any point of time during the duration of the SIS for the eligible persons.	MSWG will vote "FOR" all resolutions tabled in the meeting.
16.07.26 (Thur) 10.00 am	Yinson Holdings Berhad (AGM)	The Group's revenue declined 29% to RM5.4 billion during FY2026 due to lower EPCIC contributions from FPSO assets. The decline was partially offset by higher operational contribution from these assets and a RM340 million gain from project loan buy-out. PATAMI fell to RM363 million, driven by the lower revenue and absence of a RM704 million tax credit. This was partially offset by stronger joint venture and associate contributions.	MSWG will vote "FOR" all resolutions tabled in the meeting.
16.07.26 (Thur) 10.30 am	SCGM Bhd (EGM)	SCGM seeks shareholders' approval to implement a Proposed Regularisation Plan to regularise its condition as a PN16 (cash company) upon disposal of core plastic packaging manufacturing business in 2022. The Proposed Regularisation Plan entails: • Proposed Special dividend of 25 sen to existing SCGM shareholders, totalling RM48.14 million. • Proposed Acquisition of Eramas Global Group for RM207.94 million via the issuance of 569.7 million shares at 36.5 sen each. • Proposed Offer for Sale of up to 95.3 million shares, representing 12.5% of	MSWG will vote "FOR" all resolutions tabled in the meeting.

Date & Time	Company	Quick-take	Voting Position
		the enlarged total number of SCGM shares to Bumiputera investors. • Proposed Exemption for Vendors and PACS from undertaking a mandatory general offer to acquire the remaining SCGM shares.	
16.07.26 (Thur) 11.00 am	Kim Loong Resources Berhad (AGM)	For FY2026, Kim Loong's revenue rose 8% to RM1.82 billion, driven by higher sales volume in both plantation and palm oil milling operations. The Group achieved a record PBT of RM271.37 million for FY2026 which was 6% higher as compared to RM255.33 million for FY2025. This was mainly due to the higher FFB production and average FFB selling price.	MSWG will vote "FOR" all resolutions tabled in the meeting.
16.07.26 (Thur) 2.00 pm	Crescendo Corporation Berhad (AGM)	The Group recorded a lower revenue of RM441.3 million in FY2026, compared with RM1.15 billion in the previous financial year. PBT in FY2026 stood at RM132.1 million (FY2025: RM701.2 million). The lower FY2026 performance was mainly due to fewer data centre land disposals compared to FY2025, which had significantly boosted the previous year's results. Earnings were also affected by higher operating costs related to the relocation and commissioning of a new precast production factory, undertaken to support the Group's long-term growth.	MSWG will vote "FOR" all resolutions tabled in the meeting.

POINTS OF INTEREST

Company	Points/Issues to Be Raised
Ecobuilt Holdings Berhad (EGM)	1. The Company states that it will focus on an "asset-light" joint development model with landowners to minimise upfront land acquisition costs. It highlights two potential projects: a mixed development in Penang (indicative GDV of RM196 million) and a serviced apartment development in the Klang Valley (indicative GDV of RM364 million). Given the Company's constrained cash position and negative earnings profile, how much upfront cash or security is required to execute these two proposed JVs, and how does the Company intend to pay these fees without breaching existing creditor obligations under Rexallent's Scheme of Arrangement? 2. Why would cement, steel and brick manufacturers grant competitive credit lines or bulk discount pricing to a newly incorporated Ecobuilt trading subsidiary when the existing, core construction subsidiaries are defaulting on payments to equipment and concrete suppliers (such as Poh Seng Transport and Evermix Concrete)? Without established credit terms, how can this trading unit compete on price or protect its margins from severe compression?
Suria Capital Holdings Berhad (EGM)	On 13 May 2026, SCHB announced its proposed diversification into the power business through the development of a gas-fired peaking power plant (GPPP) in Kimanis, Sabah, with an installed net capacity of up to 100MW through a 70:30 JV with NRG Consortium (Sabah) Sdn Bhd. The estimated cost for the GPPP is approximately RM938.6 million. a) Upon commissioning, what is the expected earnings contribution from the Power business relative to its existing Port Operations and Property Development & Leasing segments under a business-as-usual scenario? Over the medium term, what is the targeted earnings mix among these three business segments? b) SCHB previously stated that the principal sources of revenue and earnings visibility for the GPPP would be derived from the power purchase agreement (PPA) with Sabah Electricity (SESB), comprising a combination of fixed and variable incomes - capacity/availability payments, energy payment, and ancillary or grid-support services. i. Pending the finalisation and execution of the PPA, which is expected by Q4FY2026, please elaborate on the estimated percentage contribution of each revenue component to every ringgit of revenue generated by Suria Powergen 1 Sdn Bhd (SP1SB), a 70%-owned subsidiary that undertakes the operation and management of the GPPP.

Company	Points/Issues to Be Raised
	ii. Based on the current project assumptions, what are the expected returns on investment (ROI), project internal rate of return (IRR), payback period and equity breakeven timeline? iii. Please elaborate the fuel cost pass-through mechanism under the proposed PPA. To what extent will SP1SB be protected from fluctuations in natural gas prices and other input costs? c) We note that Kimanis Power (Dua) Sdn Bhd, a 60:40 joint venture between NRG Consortium and Petronas Gas Berhad, already operates a 100MW gas-fired peaking power plant located approximately 2km driving distance from SP1SB's proposed project site. i. Given the proximity and similar generation profile of both facilities, is there a risk that the two peaking plants will compete for dispatch by SESB, thereby reducing the utilisation rate or energy payment opportunities of either plant? If so, what differentiating factors would determine which plant is dispatched first? ii. Are both plants intended to serve the same load centre or geographical region? Is there sufficient projected peak electricity demand and reserve margin requirements to support the commercial operation of both peaking plants without materially "cannibalising" each other's revenue? iii. How does the dispatch mechanism for peaking power plants operate under Sabah's single-buyer electricity market? What are the principal factors that determine when SP1SB will be dispatched? iv. To what extent are SP1SB's projected financial returns dependent on the frequency and duration of dispatch, as opposed to fixed capacity or availability payments? How sensitive are the GPPP's earnings to lower-than-expected dispatch hours?
Sapura Resources Berhad (AGM)	We refer to the report, which highlights that Malaysia is facing a growing landfill crisis driven by rising waste generation and continued reliance on landfill disposal, with many sites nearing capacity and causing significant environmental risks such as pollution and methane emissions. Despite circular economy policies, weak implementation continues to hinder progress, calling for stronger waste reduction, recycling, and waste-to-energy solutions. The report also warns that continued dependence on landfills will worsen long-term capacity constraints and environmental impacts.

Company	Points/Issues to Be Raised
	(Source:https://www.freemalaysiatoday.com/category/opinion/2026/06/19/prime-time-for-malaysia-to-dig-itself-out-of-its-landfill-problem). a) Given the Group's heavy reliance on landfill or incineration for over 98% of its waste disposal (Source: Page 50 of AR2026), how does the Board address the sustainability concerns arising from Malaysia's diminishing landfill capacity and increasing environmental pressures? What targeted initiatives is the Group pursuing to reduce landfill disposal and enhance waste diversion practices?
Trive Property Group Berhad (AGM)	On an annualised 12-month basis, Renewable Energy revenue fell by more than 58% to RM3.17 million in FPE 2026, compared with RM7.58 million in FYE 2024 (Page 10). In addition, Note 21 (Page 129) and Note 22 (Page 130) show that the segment generated RM4.76 million in revenue against RM4.65 million in cost of sales, implying a gross profit margin of only 2%. a) Against the backdrop of strong industry tailwinds, commercial demand for solar solutions has continued to strengthen. Why then, is Sun Power Innovation Sdn Bhd operating at a gross margin of only 2%? Does this reflect a business model that is largely limited to low-margin equipment supply, pricing pressure, or project execution challenges? b) What steps is management taking to reposition the business towards higher-value engineering, procurement, construction and commissioning (EPCC) services that can deliver sustainable margin expansion?
SCGM Bhd (EGM)	As of 31 May 2026, SCGM had cash and bank balances of approximately RM116.1 million, comprising mainly proceeds from the Disposal of Lee Soon Seng Plastic Industries Sdn Bhd and the disposal of three properties by Habipack Sdn Bhd completed on 29 December 2023 (page 31 of the Circular dated 29 June 2026). Following the proposed special dividend of 25 sen per SCGM share (approximately RM48.14 million), SCGM is expected to retain cash and bank balances of approximately RM67.96 million. According to the Circular, the remaining cash will be utilised primarily for the expansion of Eramas Ingredients' manufacturing facilities, marketing and advertising initiatives, working capital and expenses relating to the Proposed Regularisation Plan. a) The proposed special dividend represents only around 41% of SCGM's cash and bank balances as at 31 May 2026, leaving a sizeable cash reserve after the distribution. i. How did the Board determine that 25 sen per share was the appropriate quantum for the Proposed Special Dividend?

Company	Points/Issues to Be Raised
	ii. What considerations and requirements were assessed in arriving at this amount? iii. Given the substantial cash balance and the Group's relatively modest funding requirements, did the Board evaluate distributing a higher special dividend to reward existing shareholders? If so, why was this not considered to be in the best interests of shareholders? b) Based on the pro forma financial information (page 701 of the Circular), upon completion of the Proposed Acquisition, Proposed Exemption and Proposed Offer for Sale, SCGM's gearing ratio is expected to increase only marginally from nil to 0.08 times, with total borrowings and lease liabilities of approximately RM13.76 million. This suggests that the enlarged Group would continue to have significant debt capacity to finance future expansion and working capital requirements. i. Did the Board take into account the enlarged Group's strong balance sheet and borrowing capacity when determining the quantum of the Proposed Special Dividend? ii. Why did the Board choose to retain a relatively large cash buffer instead of returning more excess capital to shareholders, particularly when future expansion could potentially be funded through a prudent combination of internally generated funds and borrowings?

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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