

MINORITY SHAREHOLDER WATCHDOG GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD
(Incorporated in Malaysia – Company No. 524989-M)

The Star, StarBiz – Monday, 24 August 2009

MSWG AGM/EGM weekly watch Aug 24–28

FOR this week, the following are the AGMs/EGMs of companies which are in the Minority Shareholder Watchdog Group's (MSWG) list. The summarised points of interest are highlighted here, while the details

of the questions to the companies can be obtained via MSWG's website at www.mswg.org.my.

The AGMs/EGMs for the week

Date & Time	Company	Venue
24/08 3.30pm & 4.30pm	IJM Land Bhd AGM/EGM	Holiday Villa, Subang Jaya
25/08 3.30pm, 4.30pm & 4.45pm	IJM Corp Bhd AGM/EGM	Holiday Villa, Subang Jaya
26/08 10.00am	Media Chinese International Ltd AGM	Sin Chew Media Corp Bhd, Petaling Jaya; and Ming Pao Industrial Centre, Hong Kong
27/08 2.00pm	Lingkar Trans Kota Holdings Bhd AGM	Kota Permai Golf & Country Club, Kota Kemuning
28/08 3.30pm	MNRB Holdings Bhd AGM	Bangunan Malaysian Re, Kuala Lumpur

The points of interest to be raised

Company	Points/Issues to be raised
IJM Land Bhd	<ul style="list-style-type: none"> Note 17 of the annual report stated that an amount owing to the ultimate holding company (IJM Corp Bhd) stood at RM760.6mil, which bears an interest rate of 5% per annum and these advances are repayable on demand. Given that interest expense of up to RM27.7mil in relation to advances from the holding company was charged to the income statement in FY09, could the board explain whether there is a plan to repay these advances in the near future? There was a substantial increase in the inventories of completed buildings by RM108.94mil to RM146.34mil in 2009 compared with RM37.4mil in 2008. In light of the net cash outflow generated from operating activities of RM57.14mil for FY09, could the board explain the reasons for the increase in inventories and what are the measures being taken to reduce these inventories and to improve operating cash flow?
IJM Corp Bhd	<ul style="list-style-type: none"> The group's trade and other receivables reduced marginally by RM36.8mil, or 1.7%, to RM2.104bil in FY09 compared with RM2.141bil in FY08. Given that trade and other receivables amounted to 45.7% of group revenue for FY09 amidst a marginal reduction in the outstanding amount in FY09, could the board explain what measures are being taken to further reduce these trade and other receivables? MSWG believes that the role of independent directors (IDs) is crucial as a check and balance on the board. Much as we would like to believe that the length of service on the board itself does not indicate a lack of independence, long tenures may nonetheless be perceived as a factor for investors to raise the issue of their objectivity and independence. Thus, MSWG recommends that the board ideally should have self-imposed term limits for IDs at nine to 12 years, in addition to having a succession plan for their IDs. In relation to this, how does the board see itself balancing this issue of long serving IDs given that one (1) ID has served for 13 years?
Media Chinese International Ltd	<ul style="list-style-type: none"> How does the board assess the financial and non-financial impact of the shifting of newspaper publishing into the multimedia/online channels in terms of prospects, wider reach and coverage? How does the board plan to deal with the negative capital reserves of US\$122.67mil on the group's balance sheet?
Lingkar Trans Kota Holdings Bhd	<ul style="list-style-type: none"> How would the anticipated slower traffic volume growth due to the weakening economic outlook and the Government's decision to defer toll hikes amid rising finance costs impact the group's revenue and profitability? Some international corporate governance best practices recommend the tenure for independent directors (IDs) to be not more than nine years (or three terms). Thus, MSWG recommends that the board ideally should have self-imposed term limits for IDs at nine to 12 years, in addition to having a succession plan for their IDs. How does the board see itself balancing the issue of long serving IDs given that three (3) IDs have served for 13 years?
MNRB Holdings Bhd	<ul style="list-style-type: none"> How was the performance of the group's general reinsurance business, in terms of claim ratio, expense ratio and commission ratio as compared with the industry for the year ended March 31, 2009? To what performance criteria were the shareholders' fund management and commission expenses linked when both expenses increased significantly to RM25.16mil (2008: RM7.09mil) and RM155.39mil (2008: RM119.36mil) respectively? What are the key performance indicators (KPIs) that the board is hoping for the group to achieve for the year ending March 31, 2010?