

MINORITY SHAREHOLDER WATCHDOG GROUP

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

Focus Malaysia – 11th – 17th February, 2017(A)

MSWG

AGM/EGM Weekly Watch (Feb 13-17, 2017)

FOR this week, the following are the AGMs of companies which are in the Minority Shareholder Watchdog Group's (MSWG) watch list.

The summary of 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.

KUALA LUMPUR KEPONG BHD (AGM)

Feb 15, 2017 (11am)

Wisma Taiko

**No 1, Jalan SP Seenivasagam
30000 Ipoh, Perak.**

1. **AS** mentioned in the CEO's review of operations, the trend of rising costs is inevitable with inflationary pressure on wages and fertiliser:
 - (i) What is the percentage of wages and fertiliser cost to the total crude palm oil production cost for FY16 and what would be the expected movement of this percentage moving forward?
 - (ii) Could the board share with its shareholders the mechanisation that had been implemented or to be implemented, if any, in the efforts to enhance operational efficiencies and labour productivity?
2. We noted that the segment results for property development in FY16 dropped significantly to RM29 mil from RM61 mil in FY15 due to lacklustre sentiment towards property which is expected to last for another year.
 - (i) In view of weak sentiments for the property market, would there be any project expected to be launched in FY17? If yes, what would be the expected gross development value for the project/s?
 - (ii) What is the expected timeline for the development of the whole Bandar Seri Coalfields township?
 - (iii) What is the size of the group's current landbank for its property development?

BATU KAWAN BHD (AGM)

Feb 15, 2017 (2.30pm)

Wisma Taiko

**No 1, Jalan SP Seenivasagam
30000 Ipoh, Perak.**

1. **WE** noted that the manufacturing segment contributed 25% to group pre-tax profit in FY16. With the downsizing of Sen Sen Chemical Bhd, competitive oleochemicals market due to industry over-capacity, progressive reduction of subsidies for electricity and rising operating costs, how would the board view the outlook of this segment and its contribution to the group's bottom line moving forward?
2. The pre-tax profit of investment holdings/ others segment increased substantially to RM522 mil in FY16 from RM135 mil in FY15. The segment includes placement of deposits with licensed banks, investment in fixed income trust funds, letting out of office space and car parks, investment in quoted and unquoted corporation, farming, among others.
 - (i) Which were the major contributors in the segment and would the contributions be sustainable in the coming years?
 - (ii) What is the current occupancy rate for Menara KLK?