

MINORITY SHAREHOLDER WATCHDOG GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

(Incorporated in Malaysia – Company No. 524989-M)

Focus Malaysia – January 20th – January 26th, 2018(A)

MSWG

MSWG AGM Weekly Watch (Jan 22-26, 2017)

FOR this week, the following are the AGMs/EGMs of companies which are in the Minority Shareholder Watchdog Groups (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.

Bright Packaging Industry Bhd (AGM) Jan 22, 2018 (9am) Bukit Jalil Golf & Country Resort Kuala Lumpur.

- 1) THE group's revenue had declined for the last two financial years with pre-tax profit further deteriorating from RM300,000 in FY16 to a loss of RM3.6 mil in FY17.
 - a) What were the reasons for the losses especially since the board had expressed in the last financial year that the group's prospects were expected to be positive?
 - b) What measures have been taken to address the group's deteriorating financial performance?
 - c) When is the group expected to turn around?
- 2) We noted an impairment amount of RM1.78 mil on trade receivables for FY17 (Note 7, Page 96 of Annual Report 2017).
 - a) What is the recoverability and collection status

- of these impaired trade receivables?
- b) What were the reasons for the substantial increase of trade receivables in FY17, especially since the revenue had decreased about 32.4% from RM62.3 mil in FY16 to RM42.2 mil in FY17?

Concrete Engineering Products Bhd (AGM) Jan 23, 2018 (10am) Menara Integriti Persiaran Tuanku Syed Sirajuddin Kuala Lumpur.

THE chairman's statement and his review of operations mentioned about a slew of infrastructure projects under Budget 2018 which are expected to benefit the construction industry. On the export front, he also believes there are potential new markets in the Asean region left untapped such as Indo-China countries.

- a) What are the projects which the Concrete Engineering's management team has identified in order to secure a fair share of these projects?
- b) The group's export sales contributed to 8% of the revenue. What are the board's strategies and which markets are the board targeting to enhance the potential of the export market to improve the group's performance?
- c) What are the sizeable contracts that the board hopes to secure in order to replenish the group's order book for sustainable performance and results?

Malaysia Building Society Bhd (EGM) Jan 23, 2018 (10am) Connexion Conference & Event Centre @ Nexus Bangsar South City Kuala Lumpur.

THE circular on the financial performance of Aslian Finance Bank Bhd (AFB) (Appendix II, Page 36) showed

- the bank had incurred a pre-tax loss of RM18.9 mil for the unaudited six months ended June 30, 2017 (contributed by both a drop in income as well as an increase in the allowance for impairment on financing and advances).
- a) Did the board conduct a financial due diligence on AFB? Please elaborate.
 - b) What are the nature of the financing assets? Would there be a need for further impairment in FYE 2017? Are there any provisions in the sale and purchase agreement to address/compensate the risk of deterioration in asset quality?
 - c) Based on the financial summary and operations of AFB, what business synergistic value creation would MBSB expect to gain from the merger?

Fraser & Neave Holdings Bhd (AGM) Jan 24, 2018 (10am) Sime Darby Convention Centre 1A, Jalan Bukit Kiara 1 Kuala Lumpur.

IN relation to the three growth pillars of the company, i.e. F&B Malaysia Domestic, F&B Thailand and the exports segment, could the board provide the following information:

- a) When would F&B Malaysia Domestic complete its transformation initiatives?
- b) What are the efforts taken to grow sales for FYE 2018 (and to address the 8.2% decline in revenue in FY17) for F&B Malaysia (combined domestic and exports)?
- c) F&B Thailand registered an 8.7% increase in revenue contributed by a double-digit growth in exports to Indochina. What are the efforts taken to further grow sales in Indochina for the financial year ending 2018? Please elaborate on the business strategy, challenges and potentials in that country.
- d) What is the outlook for the export segment this year?