

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

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MSWG AGM/EGM Weekly Watch June 6-10

FOR this week, the following are the AGMs/EGMs of companies which are on the Minority Shareholder Watchdog Group's (MSWG) watchlist.

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.

AGMs/EGMs for the week

Date & Time	Company	Venue
June 6, 10.30am	Time Engineering Bhd AGM & EGM	Hotel Istana KL
June 6, 2.00pm	Hap Seng Plantations Bhd AGM & EGM	Menara Hap Seng, KL
June 7, 10.00am	Genting Plantations Bhd AGM	Wisma Genting, KL
June 7, 10.30am	Pharmaniaga Bhd AGM	Menara Boustead, KL
June 7, 11.00am	Hap Seng Consolidated Bhd AGM & EGM	Menara Hap Seng, KL
June 8, 10.00am	Genting Malaysia Bhd AGM	Wisma Genting, KL
June 8, 10.00am	Berjaya Corp Bhd EGM	Bukit Jalil Golf & Country Resort, KL
June 9, 10.00am	Genting Bhd AGM	Wisma Genting, KL
June 10, 10.00am	Gula Perak Bhd EGM	Empress Hotel, Sepang

The points of interest to be raised

Company	Points/Issues
Time Engineering Bhd AGM & EGM	<ul style="list-style-type: none"> What is the value of projects currently on hand, given the drop in revenue and profit in 2010 as well as the first quarter ended March 31, 2011? Why doesn't the board dispose of the Time dotCom shares in the open market at a higher price and subsequently reward the shareholders with a higher dividend, according to a mandate granted by the shareholders at an EGM held on Aug 21, 2009? How does the board propose to deal with the odd lots or fractions of shares given there were 5,831 shareholders who are holding 1,000 shares or less as at April 15, 2011?
Hap Seng Plantations Bhd AGM & EGM	<ul style="list-style-type: none"> The purchase of fresh fruit bunch (FFB) from third parties has increased over the years and reached a total of 63,001 tonnes (2009: 21,635 tonnes) for the year under review. Does the board foresee the trend continuing at the current growth rate? What is the current utilisation rate for each of the group's mills, which have a combined milling capacity of 175 FFB tonnes per hour? Board diversity is encouraged in order to improve the quality of decision-making and to reduce the risk of "groupthink". In this regard, we would like to encourage the board to establish a policy on boardroom diversity, including measures to bring about gender diversity on the board.
Genting Plantations Bhd AGM	<ul style="list-style-type: none"> The group's intangible assets have increased further from RM117.2mil to RM186.60mil, due mainly to the increase in intellectual property rights and development costs of RM51.70mil during the year. The amortisation charge of RM1.629mil was first recognized for the year under review. What has been developed/sold for the year under review for the amortisation charge to be recognised? It is noted that no revenue was recognised from the biotechnology segment.
Pharmaniaga Bhd AGM	<ul style="list-style-type: none"> The company's public listed subsidiary, PT Millennium Pharmacon International Tbk (MPI), suffered a major setback in late 2009 when it lost its biggest principal, PT Merck. What were the reasons that contributed to the loss of the biggest principal? What measures has the company put in place to minimise such happenings in the future? What was the estimated loss of revenue and profit in 2010 resulting from the loss of the principal? Under Bursa Malaysia's Main Listing Requirements, Chapter 9C, Section 30, a public-listed company should disclose a statement relating to the internal audit function whether the internal audit function is performed in-house or is out-sourced, and the costs incurred for such function in respect of the financial year. MSWG noted that such a disclosure was not made.

Company	Points/Issues
Hap Seng Consolidated Bhd AGM & EGM	<ul style="list-style-type: none"> The company was expected to raise up to RM1.5bil from private placement and right issues which was to be deployed on growth initiatives in property investment and development, auto dealerships, and building materials. As at May 11, 2011, only about 43.8 million of about 124.5 million shares available for private placement had been placed out, and at a discount of about 9.9% compared to the five-day volume-weighted average market price. How would this affect the intended expansion plan and what are the estimated allocations for each of the above business segments from the capital raised from the private placements, and capital expected to be raised from the right issues? What could be the reasons for the poor response to the private placement?
Genting Malaysia Bhd AGM	<ul style="list-style-type: none"> As announced by the company in its May 27, 2011 press release, GMB had purchased a piece of land in Miami, Florida for US\$236mil through its subsidiary Bayfront 2011 Property, LLC. What is the group's strategic plan for the acquisition of the above land? How does the company differentiate itself from the rest of the players in the leisure and hospitality business in the vicinity? Are there plans to further acquire properties for expansion in the United States?
Berjaya Corp Bhd EGM	<ul style="list-style-type: none"> The proposed disposal of B-Sompo shares would provide BCorp group with a substantial cash consideration of RM496.0mil and a one-off gain of approximately RM267.6mil. After the disposal, the reduced shareholding would entitle the group to only a 30% share of B-Sompo's profits, instead of the higher 70% share it currently receives by virtue of its larger shareholding. The proceeds from the disposal of shares are expected to fund some of the group's proposed development projects, and its food and beverage and automobile divisions. They will also be used to repay borrowings, which would generate an estimated annual interest saving of about RM10.5mil Can the board explain how the use of the proceeds from the proposed disposal would create more value for the group compared to what it would otherwise earn if it maintained its current level of shareholding?
Genting Bhd AGM	<ul style="list-style-type: none"> As stated in the chairman's statement, the investment portfolio in China has been reduced to just Weizhou Wan 724MW coal-fired power plant in Fujian. Further, the company had closed down three small plants in Jiangsu, China upon a directive from the provincial government. Kindly explain the reasons for the shut-down of the affected plants. What was the initial investment in these three plants and what was the loss incurred by the company after taking into consideration the compensation received from the provincial government? We encourage the board to formalise a policy on succession planning, to constantly review its board evaluation process, and to set a maximum tenure for independent directors. In this regard and in line with MSWG's Policy Statement on Corporate Governance and Shareholder Voting Guidelines, independent directors serving more than 12 years would be considered non-independent.
Gula Perak Bhd EGM	<ul style="list-style-type: none"> The EGM is being held to consider special resolutions that the company be wound up voluntarily pursuant to Section 254(1)(b) of the Companies Act, 1965, and that the liquidator be granted the powers to distribute part or all of the company's assets in specie or in-kind upon winding up. Would there be a second valuation for the group's assets, in particular for two pieces of freehold land held for property development, for Dynasty Hotel in Jalan Ipoh, Empress Hotel Sepang, and leasehold agricultural land? As reported, the company had entered into two separate sale and purchase agreements (SPAs) to dispose of two pieces of freehold land, and to dispose of Dynasty Hotel and Empress Hotel to Perth International Ltd and Time Glory Investment Ltd, both of which were incorporated in Hong Kong. Who are these parties and what is the validity of these SPAs given that the company was designated as an affected listed issuer pursuant to the PN17?

MSWG will be holding a Retail Investor Dialogue tomorrow at MSWG's offices at No 3, Changkat Raja Chulan, Off Jalan Raja Chulan, Kuala Lumpur beginning at 3:00pm. The dialogue will provide a forum for the exchange of views and information between MSWG and retail shareholders. If you are a retail shareholder interested in attending this event, please pre-register by contacting Sharon Goh at tel: (03) 2070 9090.