

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

New Straits Times, Business Times – Monday, June 24th, 2019 **(A)**

MSWG AGM/EGM WEEKLY WATCH JUNE 24 - 26, 2019

The following are the AGMs/EGMs of companies which are in the Minority Shareholders Watch Group's (MSWG) watch list.

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
24.06.19 (Mon) 02.30 pm	G3 Global Bhd (AGM)	Victoria Annexe Wing, Eastern & Oriental Hotel, 10 Lebuh Farquhar, Penang
25.06.19 (Tue) 10.00 am	China Ouhua Winery Holdings Limited (AGM)	Best Western Hotel Petaling Jaya
25.06.19 (Tue) 10.00 am	Sumatec Resources Bhd (AGM)	The Boulevard Hotel, Mid Valley City, Lingkaran Syed Putra, KL
25.06.19 (Tue) 11.00 am	EGV Holdings Bhd (AGM)	TM Convention Centre, Jalan Pantai Baharu, KL
26.06.19 (Wed) 10.00 am	Mah Sing Group Bhd (AGM)	Wisma Mah Sing, No. 163, Jalan Sungai Besi, KL

Among the points of interest to be raised:

G3 Global Bhd (AGM)

The Group's revenue declined to RM29,878 million in FY2018 from RM31,038 million for FY2017. However, the cost of sales increased to RM28,569 million in FY2018 from RM21,253 million for FY2017. [Statements of Comprehensive Income on page 43 of the Annual Report]. As such, the gross profit margin for FY2018 was only 4% compared to 31% for FY2017.

a) What are the cost items that contributed to the increase in the cost of sales?

b) What are the measures taken to control and monitor the cost of sales in order to improve the gross profit margin of the Group?

China Ouhua Winery Holdings Limited (AGM)

1) The Company has paid RMB118.8 million to Huangwu Subdistrict Office, Zhifu District, Yantai City (the Local Government) in December 2013 for the purchase of 40 acres of land, buildings and ancillary facilities located at No. 3 Wolong North Road, Yantai City (page 48 of AR2018). The transaction is still pending completion. It is stated in an announcement dated 17 December 2013 that in the event that the transaction is not completed, the local government will refund the deposits of RMB118.8 million.

Is there any compensation under the contract for the delay of more than five years in the completion of the transaction? When is the transaction expected to be completed?

2) The distribution and administrative expenses of the Company have increased to RM5.08 million (FY2017: RM2.24 million) and to RM14.84 million (FY2017: RM5.49 million).

What are the reasons for the substantial increase in these two expenses? What is the breakdown of the administrative expenses?

Sumatec Resources Bhd (AGM)

As disclosed on page 12 of the Management Discussion & Analysis ("MD&A"), the Company announced on 30 April 2018 that it has become an affected listed issuer pursuant to Paragraph 8.04 and Paragraph 2.1 (d) of Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia. Subsequently on 15 April 2019, the Company announced that it has submitted an application for an extension of time to submit the Company's regularisation plan.

Based on the latest monthly announcement to Bursa dated 3 June 2019, the Company is currently preparing its response to Bursa's queries.

What are the interim turnaround measures undertaken by the Board whilst awaiting for the formulation of the Regularisation Plan to be submitted to Bursa Malaysia?

EGV Holdings Bhd (AGM)

The analysis of external revenue by end-customer geographical location on page 213 of the Annual Report shows Nil revenue from India in 2018 compared with to RM490 million in 2017. The Analysis also shows significant drop in revenue from Indonesia (66%), China (46%), Pakistan (43%) and others (68%).

a) What is the reason for zero revenue from India in 2018?

b) Are the significant drops in the revenue from these countries due to the change of credit policy mentioned on page 41 of the Annual Report? If not, what are the reasons for the significant drop in the revenue from these countries?

c) What are the measures taken to improve the revenue from these countries?

Mah Sing Group Bhd (AGM)

Certain subsidiary companies of the Company have entered into Sales and Purchase (S&P) Agreements for the sale of 3 parcels of freehold land to third parties. The terms of the settlement of the purchase consideration of the S&P Agreements are based upon the construction works to be performed and completed over a period of 3 years by a nominee of the third parties. (page 185 of Annual Report)

a) Why are the S&P Agreements structured in this manner?

b) Why were the 3 parcels of freehold land disposed of?

c) What is the expected financial impact to the Group's results upon the completion of construction on the 3 parcels of freehold land?

d) Who is the buyer of the 3 parcels of land?