

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

New Straits Times, Business Times – Monday, June 10th, 2019 (A)

MSWG AGM/EGM WEEKLY WATCH JUNE 10 - 14 2019

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

The summary of points of interest is 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
10.06.19 (Mon) 10.00 am	LFE Corporation Bhd (LAGM)	Campbell Complex, 98 Jalan Dang Wangi, KL
11.06.19 (Tue) 10.00 am	Malaysia Building Society Bhd (LAGM)	Connexion @ Nexus, No. 7, Jalan Kerinchi, Bangsar South City, KL
12.06.19 (Wed) 09.30 am	Xinghe Holdings Bhd (AGM)	The Royal Commonwealth Society, No. 4, Jalan Birah, Damansara Heights, KL
12.06.19 (Wed) 10.00 am	WCT Holdings Bhd (AGM)	Premiere Hotel, Bandar Bukit Tinggi 1/KS6 Jalan Langat, Klang

Among the points of interest to be raised:

LFE Corporation Bhd (LAGM)

The Company's Annual Report 2018 Note 2.1 page 47 and its subsequent announcement to Bursa Malaysia on 2 May 2019 highlighted on "Material Uncertainty Related to Going Concern" where the auditors stated that the ability of the Group and Company to continue as going concern are dependent on:

- a) timely and successful completion of its existing contracts;
 - b) the timely collection of trade receivables;
 - c) the timely collection and repatriation of funds in its joint ventures;
 - d) generating profit and cash inflows from the new contracts secured; and
 - e) successful implementation of the proposed private placement.
- What is the progress for each of the measures highlighted to-date?

Malaysia Building Society Bhd (LAGM)

1. The Group has kicked off a 3-year business plan, "BP 2018 - 2020" with a vision of becoming "The Top Progressive Islamic Bank" with 22 key initiatives to be achieved during the next 3 years. (Page 43, Annual Report)

Please elaborate on the implementation of these initiatives for FY 2018/2019? What do you expect to achieve for your 2019 KPI/topline figures?

What is the estimated capital expenditure for BP 2018 - 2020?

2. We refer to your MBSB Bank's First Quarter 2019, Press Release and Updates dated 15 May 2019. ("1Q 2019") Profit Before Tax saw a 26.96% decline to RM115.86 million compared to RM158.62 million (4Q18) and 71.68% compared to RM409.16 million (1Q18). Corresponding the group's Profit After Tax declined by 28.93% to RM83.83 million compared to RM117.96 million (4Q18) and 75.53% compared to RM316.79 million (1Q18) due to higher expected credit losses.

Which business segment has contributed to the higher expected credit losses and why? What measures have you taken to address the deterioration of asset quality?

Will there be any further deterioration in the asset quality resulting in additional credit losses for FY2019?

Xinghe Holdings Bhd (AGM)

The Company has trade and other receivables of RM306.39 million as of 31 December 2018, a 332% increase compared to last year (page 61 of AR2018).

Advances for peanut purchases during the financial period amounted to RM137.21 million.

Cash and bank balances was lower year-on-year at RM260.56 million as compared to RM431.47 million in FY17.

(a) Trade receivables has further increased to RM440.84 million in the first quarter ended 31 March 2019 (page 3 of the Interim Financial Statements for the Financial Quarter Ended 31 March 2019).

The quarter-on-quarter higher trade receivables has eroded the Company's cash and bank balances, causing it to decrease to RM124.05 million.

What are the measures taken to improve the high level of trade receivables?

(b) As stated on page 46 of Xinghe's Board Guidelines Section D: Code of Ethics and Conduct, payments generally should be made only to the person or firm that actually provided the goods or services. What is the rationale of providing the substantial prepayment to peanut suppliers before the Company receives the goods? How does the Company manage the non-delivery risk of the goods? What is the drawdown schedule of the goods from peanut suppliers?

WCT Holdings Bhd (AGM)

1. How will the Board address the higher share of losses recorded by the joint ventures from share of losses of RM21,965,000 in FY2017 to share of losses of RM40,263,000 in FY2018 (Page 105 of the Annual Report 2018)?

2. What is the breakdown for other expenses amounting to RM184,817,000 in FY2018 (FY2017: RM199,430,000) (Page 105 of the Annual Report 2018)?