

MINORITY SHAREHOLDER WATCHDOG GROUP

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

New Straits Times, Business Times – February 13 - 17, 2017(A)

MSWG AGM/EGM WEEKLY WATCH:

FEBRUARY 13 - 17, 2017

For this week, the following are the AGMs/EGMs of companies in the Minority Shareholder Watchdog Group (MSWG)'s watchlist. The summary of points of interest are highlighted here, while details of the questions to the companies can be obtained via MSWG's website at HYPERLINK "<http://www.mswg.org.my>" www.mswg.org.my.

The AGMs/EGMs for the week:

Date & Time	Company	Venue
Feb 15 2017 11.00 am	Kuala Lumpur Kepong Bhd (AGM)	Wisma Taiko, 1 Jalan S.P. Seenivasagam, Ipoh, Perak
Feb 15 2017 2.30 pm	Batu Kawan Bhd (AGM)	Wisma Taiko, 1 Jalan S.P. Seenivasagam, Ipoh, Perak

The points of interest to be raised:

Kuala Lumpur Kepong Bhd

As mentioned in the CEO's Review Of Operations, the trend of rising costs is inevitable with inflationary pressure on wages and fertilizer.

What is the percentage of wages and fertilizer cost to the total CPO production cost for FY2016 and what would be the expected movement of this percentage, moving forward?

Could the Board share with the shareholders about the mechanisation that had been implemented or to be implemented, if any, in the efforts to enhance operational efficiencies and labour productivity?

We noted that the Segment results for Property Development in FY2016 dropped significantly from RM61 million in FY2015 to RM29 million due to lacklustre sentiment towards property, which is expected to last for another year.

In view of weak sentiments for property market, would there be any project expected to be launched in FY2017? If yes, what would be the expected GDV for the project/s?

What is the expected time line for development of the whole Bandar Seri Coalfields township?

What is the current landbank of the Group for property development?

Batu Kawan Bhd

We noted that the Manufacturing Segment contributed about 25% to the Group profit before taxation (PBT) in FY2016. 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 the contribution to the Group's bottom line, moving forward?

The PBT of Investment Holdings/Others Segment increased substantially from RM135 million in FY2015 to RM522 million in FY2016. 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, etc

Which were the major contributors in the Segment and would the contributions be sustainable in the coming years?

What is the current occupancy rate for Menara KLK?