

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

Focus Malaysia – 18th March – 24th March, 2017 (A)

MSWG

AGM/EGM Weekly Watch (March 20-24)

FOR this week, the following are the AGMs/EGMs of companies which are in 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.

LPI CAPITAL BHD (AGM)

March 21, 2017 (11am)

Shangri-La Hotel

Jalan Sultan Ismail

50250 Kuala Lumpur.

Strategy/Financials

- 1) Given the financial liberalisation of the sector together with the imminent deregulation and removal of tariff structure, kindly elaborate on the measures that the group has embarked over the last two years to address and mitigate the impact as well as competition in the industry.
- 2) As stated in the management discussion and analysis, the group would focus on the motor and personal class of insurance in its business strategy in Singapore. Please elaborate on the outlook of the business performances of the motor and personal class insurance segment in Singapore for this year and what would be the group's targets. What is the current position and market share in these business segments?
- 3) Lonpac's combined ratio of 63.8% and management expenses ratio of 19.8% compared with the industry average of 87.6% and 23% were

commendable. Kindly elaborate on the performance ratios for its Cambodia and Singapore operations?

- 4) Having implemented the first phase of its motor and fire tariffs liberalisation last year, could the company deliberate on the internal challenges to adopt competitive premium rates and leverage on the advantages of premium pricing its products, underwriting and risk associated, etc to enhance its market share and the tangible results achieved since deregulation? Would the benefits of competitive premium price adjustments be passed on to the group/company's customers?

Directors' remuneration

- 1) Section 230(1) of the Companies Act 2016 provides that "the fees" of the directors and "any benefits payable" to the directors of a listed company and its subsidiaries shall be approved at a general meeting.
We noted that the company has under Ordinary Resolution 3 tabled only the directors' fee of RM545,369 for FY16, excluding any benefits payable as required under Section 230(1) of the Companies Act 2016. Please explain.