

MSWG AGM/EGM Weekly Watch 28 September - 2 October 2015

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.

| The AGMs/EGMs for the week: | | |
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| Date & Time | Company | Venue |
| 28 September 2015 10.30 am | Brem Holdings Bhd (AGM) | Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara PJ |
| 29 September 2015 11.00 am | Scientex Bhd (EGM) | Scientex Packaging Film Sdn Bhd, Tmn Perindustrian Pulau Indah, Pelabuhan Klang |
| 29 September 2015 11.30 am | YLI Holdings Bhd (AGM) | Concorde Hotel, Jalan Sultan Ismail, KL |
| 29 September 2015 03.00 pm | Kumpulan Europlus Bhd (AGM) | Holiday Villa Hotel & Suites Subang, 9 Jalan SS12/1, Subang Jaya |
| 29 September 2015 03.00 pm | Eastern & Oriental Bhd (AGM)/(EGM) | Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, Kuala Lumpur |
| 30 September 2015 02.00 pm | MNRB Holdings Bhd (AGM) | 3 rd Floor, Bangunan Malaysia Re, Lorong Dungun, Damansara Heights |
| 30 September 2015 02.30 pm | Weida (M) Bhd (AGM) | Imperial Hotel, Jalan Datuk Tawi Sli, Kuching, Sarawak |

| The points of interest to be raised: | |
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| Company | Points/Issues to Be Raised |
| Brem Holdings Bhd (AGM) | <ol style="list-style-type: none"> 1. <u>Civil Engineering and Construction</u> In the year under review, inter-segment sales contributed RM31.7 million to the Group's segment revenue, establishing close to 2/3 of the segment's total revenue. External sales contributed as much as RM22.7 million to the segment's total revenue. As the Group continues to bid for more contracts and support the property development division, what is the targeted revenue mix contribution of in-house and external sales that the Group aspires to achieve in the future? What is the current order book and how long will it keep the segment going based on the current order book? 2. Property Investment <ol style="list-style-type: none"> i) What is the latest occupancy rate of Brem Mall and what is the targeted occupancy rate to be achieved this year? ii) Would the Board expect higher contribution from the Mall in the next few years and why? |
| YLI Holdings Bhd (AGM) | <ol style="list-style-type: none"> 1. As stated in the Chairman's Statement, the Group would continue to scout for opportunities to diversify the earnings base with investments that would generate good and sustainable returns for its shareholders. Please update the shareholders on the Group's efforts to increase its business activities. |

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| | <p>2. With the water restructuring between the Selangor government and the Federal government in its final stage, could the Board expect the Company to be able to increase and tap on the positive developments. Please elaborate.</p> |
| Kumpulan Europlus Bhd (AGM) | <p>1. We noted that for Phase 3 (Periwinkle) of the Bandar Rimbayu development, 209 units out of 567 units launched had been sold. Meanwhile for phase 4 (Scarlet) and Phase 5 (wisteria), 57 out of 110 units were sold and 41 out of 231 units had been sold respectively.</p> <p>i) What is the reason for the low take-up rate for these developments?</p> <p>ii) What steps have been taken by the Board to improve the sales of these units?</p> <p>iii) What would be the Board's expectation on the sales of these units for FY2016?</p> <p>2. As disclosed in Note 29 on page 103 of the Annual Report, the manufacturing & trading segment recorded sales of RM8.2 million with a profit of RM4,000 in FY2015 compared to sales of RM12.2 million and profit of RM1.84 million for FY2014.</p> <p>i) What was the reason for the decline in revenue and profit of the marketing & trading segment?</p> <p>ii) What are the measures taken to improve the performance of this segment?</p> |
| Eastern & Oriental Bhd (AGM)/(EGM) | <p>1. The completed properties inventories increased substantially from RM72.9 million to RM206.4 million, an increase of RM133.5 million or 183%. What were the reasons for the increase and where these properties were located, the amount and measures taken to dispose these properties?</p> <p>2. What were the occupancy rates for the E & O Residences KL in 2013 and 2014 and what is the break-even occupancy rate?</p> |
| MNRB Holdings Bhd (AGM) | <p>1. What is the Company's premium income from the China and Indonesia markets in FY 2015. How would the Company address the recent new requirements where China insurers would require offshore reinsurers to provide collaterals under the China Risk Oriented Solvency System (C-ROSS) and for Indonesia, local insurers are required to increase local retentions from 10% to a minimum of 25% for all lines of business? How would these requirements impact on the Group's operations?</p> <p>2. MNRB has 20% equity interest in Labuan Re that is operating reinsurance business similar to MNRB and MMRB Retakaful Berhad ("MRT"). Could the Board provide the return on investment to date on Labuan Re?</p> |
| Weida (M) Bhd (AGM) | <p>1. The Group had remained profitable for the past five years. However, profit for the financial year 2015 of RM20.8 million was the lowest earnings since 2011.</p> <p>i) What are the current profit margins of all segments and is there any possibility that the margins would be eroded further in FY2016?</p> <p>ii) What is the Board's view on the Group's sustainability and does the Board foresee that the earnings of the Group would rebound steadily from the current level?</p> <p>2. Manufacturing of polyethylene-based building materials</p> <p>i) What is the current and targeted capacity utilisation rate of the Group's plants?</p> <p>ii) Currently, the Group has five (5) manufacturing plants strategically located in Malaysia and the Philippines. Is the Board planning to add more plants especially in the Philippines where currently it has only a plant there? How</p> |

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| | <p>big is the market of Philippines for WEIDA products and how many players are there in the business? What is the Group's target market penetration for the market?</p> |
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