

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

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MSWG AGM/EGM WEEKLY WATCH AUGUST 26 - 28, 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
26.08.19 (Mon) 10.00 am	Dominant Enterprise Bhd (AGM)	Holiday Villa Hotel, Ruby 5, Level 8, No. 260, Jalan Dato Sulaiman, Taman Abad, Johor
26.08.19 (Mon) 10.00 am	Karambunai Corporation Bhd (AGM)	Nexus Resort & Spa Karambunai, Menggatal, Kota Kinabalu, Sabah
28.08.2019 (Wed) 9.30 am	Eastern & Oriental Bhd (AGM)	Ballroom 1, 1st Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, KL
28.08.19 (Wed) 10.00 am	SAM Engineering & Equipment Bhd (AGM)	SAM Meerkat (M) Sdn. Bhd., Plot 103, Taman Perindustrian Bayan Lepas 4, Pulau Pinang
28.08.19 (Wed) 10.30 am	RCE Capital Bhd (AGM)	Tropicana Golf & Country Resort, Jalan Kelab Tropicana, Petaling Jaya
28.08.19 (Wed) 10.30 am	ACME Holdings Bhd (AGM)	Evergreen Laurel Hotel, 53 Persiaran Gurney, Georgetown, Pulau Pinang
28.08.19 (Wed) 11.00 am	Oversea Enterprise Bhd (AGM)	Restoran Oversea Bandar Baru Sri Petaling, No. 62-66, Bandar Baru Seri Petaling, Kuala Lumpur
28.08.2019 (Wed) 11.00 am	Malaysia Pacific Corporation Bhd (EGM)	7th Floor, Multipurpose Hall, The Maple Suite, Menara Mapletee, No. 1, Changkat Raja Chulan, KL

Among points of interest to be raised:

Dominant Enterprise Bhd (AGM)

Akati Wood (Vietnam) Co., Ltd, is a 100% owned subsidiary with principal activities in the manufacturing of laminated wood panel products and distribution of wood products. (page 81 of Annual Report)

- (a) What is the production capacity of the Vietnam plant? At what capacity is the plant currently operating?
- (b) What is the revenue from this plant for the financial years 2019 and 2018?
- (c) Which are the countries to which the products of the plant are exported to?

Karambunai Corporation Bhd (AGM)

In the Operating Segments reporting, the Leisure and Tourism segment recorded a reduction of external revenue of RM10.90 million in FY2019 (RM67.05 million in FY2019 vs RM77.95 million in FY2018). However, its segment profit recorded a much lower profit of RM1.6 million in FY2019 as compared to RM25.6 million in FY2018. (pages 101-102 of Annual Report)

- (a) What were the reason(s) for the much lower profit in FY2019?
- (b) What are the measures taken to improve the profit in the future?
- (c) What is the outlook of the segment in FY2020?

Eastern & Oriental Berhad (AGM)

Included in the Other Expenses is a holding cost amounting to RM44.57 million in respect of the non-exercise of an option for the acquisition of a parcel of land. (page 35 of Annual Report)

- (a) Why does the company have to pay the holding cost?
- (b) Is the 'non-exercise of an option' clause in the acquisition of land a common clause in land acquisition agreements?

SAM Engineering & Equipment Bhd (AGM)

All geographical markets registered higher revenue in contrast to the aerospace revenue decline in Asia (excluding Malaysia) from RM114.4m in FY2018 to RM61.5m in FY2019 (AR2019 Note 17.1 page 120). Contrastingly, revenue from equipment manufacturing within the Asian market was significantly higher whilst revenue from other markets declined over the same period. What are the reasons for the changes in the respective revenue segments within Asia?

RCE Capital Bhd (AGM)

The loan growth for FY2019 is 5.2% compared to 8.0% in FY2018. How do you address the declining loan growth and what is the target for FY2020?

Group's non-core income (NCI) for FY2019 of RM15.5 million increased by RM3.8 million or 32.2% from RM11.7 million. What is the Group's strategy to sustain its NCI for FY2020? (page 15, Annual Report)

ACME Holdings Bhd (AGM)

The external revenue from the Manufacture of Diverse Plasticware Products segment was higher by RM3.2 million (RM18.25 million in FY2019 vs RM15.05 million in FY2018). However, the segment reported a loss before tax of RM1.57 million in FY2019 as compared to RM0.44 million in FY2018. (pages 98 and 99 of Annual report)

- (a) What is the reason for the loss?
- (b) What are the measures taken to mitigate the loss in the future?
- (c) What is the outlook of the segment in FY 2020?
- (d) What is the expected increase in production capacity with the purchase of additional machinery and equipment amounting to RM8.2 million in FY 2019?

Malaysia Pacific Corporation Bhd (EGM)

The company had on 5 November 2018 received a letter of interest from another potential purchaser for the Disposed Units, as part of a proposed scheme of arrangement with creditors. (page 4 of the Circular) Why did the board not consider the offer from the potential purchaser?