

MINORITY SHAREHOLDER WATCHDOG GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD
(Incorporated in Malaysia – Company No. 524989-M)
Focus Malaysia – March 17th – March, 23rd 2018 (A)



AGM/EGM Weekly Watch
(March 19-23, 2018)

FOR this week, the following are the AGMs/EGMs of companies which are in the Minority Shareholder Watchdog Groups (MSWG) watch list.

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.

GFM Services Bhd (EGM)

March 21, 2018 (10.30am)
Connexion Conference & Event Centre @ Nexus
Bangsar South City
Kuala Lumpur.

WE noted on page 5 of the company's circular that the purchase consideration was arrived at on "a willing-buyer, willing-seller" basis after taking into consideration (i) the appraised value of the entire equity interest in KP Mukah Development Sdn Bhd (KPMD) which was arrived at using the discounted cash flow (DCF) valuation as performed by KAF Investment Bank Bhd (IB); (ii) potential synergistic benefits to be derived by GFM Services upon completion of the proposed acquisition of KPMD; and (iii) the future prospects and earnings potential of KPMD. Could the board share the range of value for KPMD's entire equity interest which was arrived at using the DCF valuation as performed by KAF IB? What were the benchmark and parameters used?

Ta Ann Holdings Bhd (EGM)

March 23, 2018 (11am)
Tanahmas Hotel
Sibu, Sarawak.

- AS highlighted in Section 3, Part A of the company's circular dated March 8 regarding the proposed acquisition of Sarawak Plantation Bhd (SPB) which has 8,055ha of encumbered estates that are subject to on-going legal suit and/or disputes. Consequently, SPB has not been able to harvest from the encumbered estates. An accumulated impairment loss of RM21.8 mil and RM43 mil was provided in FY16 and FY17 respectively.
- What is the age profile of the palms in the encumbered estates?
 - Considering that SPB had not been operating on the encumbered estates since 2010, would there be substantial capital expenditure to be incurred on these estates upon resumption of the operations?
 - As stated on Page 11 the circular, SPB has successfully recovered part of the previous disputed estates in year 2016. What was the hectareage recovered?
 - As reported on Page 57 of the circular, the High Court had on Feb 23, 2017 dismissed SPB's claim and SPB has to vacate the land. SPB filed a notice of appeal and applied for a stay of execution. Could the board share the view of the company's solicitor on the case?
 - What measures or actions can be taken – besides what has been initiated by SPB – to ensure that the issues would be resolved?