

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

New Straits Times, Business Times – Tuesday, May 21, 2018 (A)

**MSWG AGM WEEKLY WATCH MAY 21 – 23, 2018**

For this week, 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](http://www.mswg.org.my).

The AGMs/EGMs for the week:

Date & Time	Company	Venue
21.05.18 (Mon) 10.00 am	Malaysian Resources Corporation Bhd (AGM/EGM)	Hotel Istana, 73, Jalan Raja Chulan, KL
21.05.18 (Mon) 10.00 am	Berjaya Assets Bhd (EGM)	Berjaya Times Square Hotel, Kuala Lumpur
21.05.18 (Mon) 10.30 am	Pansar Bhd (EGM)	Tanahmas Hotel, Jalan Kampung Nyabor, Sibu, Sarawak
22.05.18 (Tue) 10.00 am	Allianz Malaysian Bhd (AGM)	Aloft Kuala Lumpur Sentral, Kuala Lumpur Sentral
22.05.18 (Tue) 10.00 am	Malayan Flour Mills Bhd (AGM)	Wisma MCA, 163 Jalan Ampang, KL
22.05.18 (Tue) 10.30 am	Kossan Rubber Industries Bhd (AGM/EGM)	Setia City Convention Centre, 1 Jalan Setia Dagang AG U13/AG Setia Alam
23.05.18 (Wed) 10.00 am	Axiata Group Bhd (AGM)	Connexion @ Nexus, No. 7, Jalan Kerinchi, Bangsar South City
23.05.18 (Wed) 10.00 am	UOA Development Bhd (AGM)	Connexion Conference & Event Centre (CCEC), Bangsar South City
23.05.18 (Wed) 11.00 am	Perdana Petroleum Bhd (AGM)	One World Hotel, First Avenue, Bandar Utama City Centre, PJ
23.05.18 (Wed) 02.00 pm	Latarge Malaysia Bhd (AGM)	Sime Darby Convention Centre, No. 1A, Jalan Bukit Kiara 1

The points of interest to be raised:

**Malaysian Resources Corporation Bhd (AGM/EGM)**

The Group's Revenue increased to RM2.8 billion in FY2017 from RM2.4 billion in FY2016, an increase of RM0.4 billion or 17%. However, the gross profit margin had decreased from 24% in FY2016 to 19% in FY2017.

(i) Please explain the reason for the decline in gross profit margin.

(ii) Is the gross profit margin expected to improve in FY2018?

**Allianz Malaysian Bhd (AGM)**

We note on page 35 of the Annual Report of the Chairman's Statement that two disputes in the reinsurance contracts has increased the impairment amount for receivables in the general insurance and has impacted the profit before tax of the company.

Please explain the nature of the disputes. What are the prospects of the recovery and measures taken to-date?

**Malayan Flour Mills Bhd (AGM)**

As stated on page 14 and 125 of the Annual Report, the Group's joint venture in Indonesia has delivered commendable growth in revenue to RM995 million in 2017 as compared to RM540 million in the previous financial year.

(i) What is the current dividend policy of the joint venture business in Indonesia?

**Kossan Rubber Industries Bhd (AGM/EGM)**

As reported on page 107 of the Annual Report, the Group has recorded a substantial unrealised foreign exchange loss on receivables of RM6.4 million in FYE 2017 (FYE 2016: Nil).

(i) What were the reasons for the foreign exchange loss on receivables?

(ii) Is the loss expected to recur going forward?

**Axiata Group Bhd (AGM)**

As reported in the Governance & Audited Financial Statements 2017 under Additional Compliance Information on page 36, the amount of non-audit fees incurred for the services rendered to Axiata Group by its external auditors, PricewaterhouseCoopers PLT and its affiliated companies for FY2017 is RM18,772 million. This represents an approximately 45% increase from FY2016.

(i) Please explain the reason for the significant increase in non-audit fees?

(ii) How does Axiata ensure the independence of the auditors is upheld when non-audit fees are approximately 52% more than the group total audit fees for FY2017?

**UOA Development Bhd (AGM)**

The stock of completed development properties has increased from RM217 million in FY 2016 to RM969 million in FY2017, an increase of RM752 million or 34.7% as reported on page 103 of the Annual Report.

(i) What was the reason for the high increase?

(ii) What are the measures taken to clear the unsold completed development properties?

**Perdana Petroleum Bhd (AGM)**

As highlighted in the Key Audit Matters of the Independent Auditor's Report on page 134 of the Annual Report, the Group's and the Company's current liabilities exceeded the current assets by RM703.9 million and RM74.1 million respectively as at the end of FY2017. The Group has breached certain covenants of three term loans and the Sukuk with total carrying amount of RM601.6 million. As a result, the non-current portions of these term loans of RM34.5 million and Sukuk of RM438.5 million were reclassified to current liabilities as at reporting date.

How will the Board ensure that the Group and the Company has sufficient cash flows to meet their short term obligations?