

MINORITY SHAREHOLDER WATCHDOG GROUP

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

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MSWG AGM/EGMs Weekly Watch: April 23 – 27, 2012

For this week, the following is the AGMs/EGMs of company which is 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:

Date & Time	Company	Venue
Apr 23 2012 11:00 am	Selangor Properties Bhd (AGM)	HELP University, Pusat Bandar Damansara, KL
Apr 24 2012 10:30 am	Help International Corp. Bhd (AGM)	HELP University, Pusat Bandar Damansara, KL
Apr 25 2012 10:00 am	TH Plantations Bhd (AGM)	Seri Pacific Hotel, KL
Apr 26 2012 10:00 am	JT International Bhd (AGM)	Sime Darby Convention Centre, KL
Apr 26 2012 10:00 am	Nestlé (Malaysia) Bhd (AGM)	Sime Darby Convention Centre, KL
Apr 26 2012 10:00 am	Octagon Consolidated Bhd (AGM)	Menara Hap Seng, KL
Apr 26 2012 11:00 am	Carlsberg Brewery (M) Bhd (AGM)	Grand Dorsett Subang Hotel, Subang Jaya

The points of interest to be raised:

Company	Points/Issues to be raised
Selangor Properties Bhd	<p>The Company has retained earnings and reserves of RM665.5 million, substantially higher than its paid up capital of RM343.6 million.</p> <p>Would the Company plan to declare bonus and/or special dividends out of this amount? What is the plan for utilisation of this amount?</p>
Help International Corporation Bhd	<p>For the financial year 2011, Group revenue grew by 2.7% to RM108 million from RM105.2 million in 2010. Profit before tax was RM20.3 million compared to RM26.6 million in 2010, representing a decrease of 23.7%, due to 9.8% higher operating expenses (RM7.6 million) and 29.6% (RM1.7 million) higher depreciation. The slower revenue growth was partly attributable to lower enrolment from China.</p> <p>What were the reasons for the increase in operating expenses? How significant was the impact on revenue from the lower enrolment from China? What measures have been taken to address this?</p>
TH Plantations Bhd	<p>A total of RM69.24 million of plantation development expenditure (PDE) was transferred to property, plant and equipment, while RM72.80 million was added to PDE during the financial year. The accounting policy stated that the cost of PDE will be amortised when the expenditure is transferred to property, plant and equipment when the estate matures. However, only 379 hectares were upgraded to mature from immature during the year while the immature area has declined to 12,650 hectares from the previous year's 14,943 hectares. How many hectares of land had been replanted during the year and what was the related cost expensed off?</p>
JT International Bhd	<p>Cash and cash equivalents increased from RM189 million in 2010 to RM260 million in 2011. Does the Company have plans for any capital expenditure or new investment in the near to medium term? If not, does the Company plan to increase the quantum of future dividend payouts or declare a special dividend in the near future, as the interest rate of 2.55%-2.65% for short-term deposits is considerably lower than the cost of equity?</p>
Nestlé (Malaysia) Bhd	<p>On behalf of the Group, commodity contracts like palm oil, coffee and cocoa were transacted by regional Commodity Purchasing Competence Centers (CPCCs) based in Singapore and UK respectively.</p> <p>What are the Group's controls and roles over the CPCCs given the significance of the input costs, as well as the Group's responsible sourcing initiative?</p> <p>It is noted that the Group's raw and packaging materials inventories surged by 52.2% from RM144.3 million to RM219.6 million. What were the reasons for the increase and what is the inventory holding policy of the Group vis-à-vis the CPCCs arrangement? Is the Group concerned about impairments or write-downs on the high inventory holding?</p>
Octagon Consolidated Bhd	<p>The Group has been incurring losses in each of the last three (3) financial years. On 2 February 2012, Advanced Pyrotech Sdn Bhd ("APT"), a wholly-owned subsidiary of Octagon Consolidated Berhad, received a legal letter from Kuwait Finance House (Malaysia) Berhad ("KFH") rejecting APT's proposed installment payment of the latest lease and profit payments of the KFH facility. On April 2 2012, APT was served a writ of summons by NV Bina Sdn Bhd, a former subcontractor of the plant of APT, demanding an alleged sum of RM1.35 million.</p> <p>How would the Board propose to address the Group's continuing losses? How would the default of the KFH facility and the legal proceeding initiated by NV Bina Sdn Bhd affect the Group's operations?</p>