



The Observer

19.10.2018

PLEASE MARK YOUR CALENDER

2nd ASEAN CORPORATE GOVERNANCE AWARDS CEREMONY TO BE HELD AT KUALA LUMPUR CONVENTION CENTRE ON WEDNESDAY, 21 NOVEMBER 2018

We are pleased to announce that we will be organising the 2nd ASEAN Corporate Governance Awards Ceremony with the support of the Malaysian Securities Commission. It will be our greatest pleasure to showcase the findings and results of the Top 50 ASEAN public listed companies (“PLCs”) and outstanding PLCs from each participating ASEAN country in terms of corporate governance practices based on assessment using the ASEAN Corporate Governance Scorecard in 2018.

Malaysia is the host for this bi-annual event. Please join us in celebrating, with the ASEAN winners, excellence in corporate governance.

We look forward to your participation and support at the event.

Please contact Miss Emily Lim at 603-2070 9090 if you are interested in joining us in celebrating this bi-annual event or for further enquiries.

MSWG’S AGM WEEKLY WATCH 22 October- 26 October 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.

Date & Time	Company	Venue
22.10.18 (Mon) 10.00 am	Berjaya Corporation Bhd (AGM)	Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, KL
25.10.18 (Thur) 11.00 am	Hong Leong Industries Bhd (AGM)	Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, KL
25.10.18 (Thur) 02.30 pm	Pensonic Holdings Bhd (AGM)	1165, Taman Perindustrian Bukit Minyak, Simpang Ampat, Penang
26.10.18 (Fri) 10.00 am	IOI Corporation Bhd (AGM)	Le Meridien Putrajaya, Lenuh IRC, IOI Resort City, Putrajaya
26.10.18 (Fri) 03.00 pm	Malayan Flour Mills Bhd (EGM)	Wisma MCA, 163 Jalan Ampang, KL

Some of the points of interest to be raised:

Company	Points/Issues to Be Raised
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Some of the points of interest to be raised:

<p>Berjaya Corporation Bhd (AGM)</p>	<p>1) The Group incurred a pre-tax loss of RM115.90 million in the financial year under review as compared to the pre-tax profit of RM662.63 million reported in the previous year, mainly due to the lower profit contribution from the various business segments as well as some exceptional items.</p> <p>(i) Please state the business segments with lower contributions (with comparable figures) and the exceptional items.</p> <p>(ii) What is the likelihood of each of these segments registering better performances in FY2019?</p> <p>2) The Chairman expressed his confidence that a substantial portion of the impairment provision losses can be reversed in the future.</p> <p>Which assets/items are likely to have the impairment provision losses reversed in the future? When would it likely be reversed?</p>
<p>Pensonic Holdings Bhd (AGM)</p>	<p>1) Please explain the reason for the huge increase in inventories written down amounting to RM1.3 million (2017: RM0.5 million), as shown under Note 9 on page 76 of the Annual Report.</p> <p>2) On page 94 of the Annual Report, we note that the impairment loss written off has increased to RM1,058,608 (2017: RM30,166).</p> <p>(i) What is the nature of these impairment losses that were written off?</p> <p>(ii) What is the reason for the significant increase in the amount of impairment losses written off?</p>
<p>Hong Leong Industries Bhd (AGM)</p>	<p>We refer to the Circular on the “Proposed Renewal of and New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature” (“RRPT”) dated 26 September, 2018. Please clarify item A (e), “Receipt of Services” from Hong Leong Group, on page 6 of the circular. What are the transactions and services to be provided to the Company?</p>
<p>IOI Corporation Bhd (AGM)</p>	<p>Note 25 to the Financial Statements on page 156 of the Annual Report indicates a substantial increase in the amount due from associates of RM147.4 million at the end of FY2018 from RM1.4 million at the end of FY2017. The amount is unsecured, interest-free and payable upon demand in cash.</p> <p>(a) To which associates are the increase attributable to and what is the justification for the interest-free advances to the associates involved?</p> <p>(b) As the amount is payable upon demand and be classified as ‘Current Assets’, would the repayment be expected in the next 12 months?</p>

MSWG'S WATCHLIST

APFT BERHAD ("APFT")

A Notice relating to Petition of Winding-Up of APFT Land Sdn Bhd was advertised in The Star newspaper on 16 October 2018.

The Board of Directors of APFT clarified that APFT Land Sdn Bhd is not a subsidiary nor a related company of APFT and that none of the Board members of APFT Berhad are the Directors of

[Source: APFT's announcement on Bursa Malaysia's website on 16 October 2018].

OSK HOLDINGS BERHAD ("OSKH")

On behalf of the Board of Directors of OSKH, RHB Investment Bank Berhad announced that in view of the current adverse global market conditions, the Board has resolved that the listing of OCC Cables Limited ("OCC Cables"), a wholly-owned subsidiary of OSK Industries Limited which in turn is a wholly-owned subsidiary of PJ Development Holdings Berhad, which in turn is a subsidiary of OSKH, on the Main Board operated by the Stock Exchange of Hong Kong Limited will not proceed as originally scheduled.

[Source: OSKH's announcement on Bursa Malaysia's website on 12 October 2018].

MSWG'S VIGILANCE

Listing of PN17 and GN3 companies

PN17 Companies

1. AMTEK HOLDINGS BERHAD
2. APFT BERHAD
3. ASIA KNIGHT BERHAD
4. BERJAYA MEDIA BERHAD
5. BERTAM ALLIANCE BERHAD
6. CHINA AUTOMOBILE PARTS HOLDINGS LIMITED
7. DAYA MATERIALS BERHAD
8. EKA NOODLES BERHAD
9. HB GLOBAL LIMITED
10. KINSTEEL BHD
11. KUANTAN FLOUR MILLS BERHAD
12. MAA GROUP BERHAD
13. MALAYSIA PACIFIC CORPORATION BERHAD
14. MAXWELL INTERNATIONAL HOLDINGS BERHAD
15. MULTI SPORTS HOLDINGS LTD
16. PERISAI PETROLEUM TEKNOLOGI BERHAD
17. PETROL ONE RESOURCES BERHAD
18. STONE MASTER CORPORATION BERHAD
19. SUMATEC RESOURCES BERHAD
20. TH HEAVY ENGINEERING BERHAD
21. UTUSAN MELAYU (MALAYSIA) BHD
22. YFG BERHAD

GN3 Companies

1. G NEPTUNE BERHAD
2. WINTONI GROUP BERHAD

Please refer to the link below for the latest status of the company.

<http://www.bursamalaysia.com/market/listed-companies/list-of-companies/pn17-and-gn3-companies/>

LOCAL NEWS AND DEVELOPMENTS

Govt reopens discussions over foreign insurers full ownership: FT

<https://www.thestar.com.my/business/business-news/2018/10/17/govt-reopens-discussions-over-foreign-insurers-full-ownership-ft/>

Investors Brace for Malaysia Taxes on Capital Gains, Consumption

<https://www.theedgemarkets.com/article/investors-brace-malaysia-taxes-capital-gains-consumption>

Wan Kamaruzaman to leave KWAP: Media report

<https://www.thestar.com.my/business/business-news/2018/10/16/wan-kamaruzaman-to-leave-kwap/>

US-China trade war a bigger threat to Malaysia than rising US interest rates, says economist

<https://www.theedgemarkets.com/article/uschina-trade-war-bigger-threat-malaysia-rising-us-interest-rates-says-economist>

GLOBAL NEWS AND DEVELOPMENTS

At Facebook, public funds join push to remove Zuckerberg as chairman

<https://www.thestar.com.my/business/business-news/2018/10/18/at-facebook-public-funds-join-push-to-remove-zuckerberg-as-chairman/>

Asia's technology bear isn't ready to hibernate

<https://www.thestar.com.my/business/business-news/2018/10/17/asias-technology-bear-isnt-ready-to-hibernate/>

Trump administration claims US\$23b in regulation savings

[https://www.thestar.com.my/business/business-news/2018/10/17/trump-administration-claims-us\\$23b-in-regulation-savings/](https://www.thestar.com.my/business/business-news/2018/10/17/trump-administration-claims-us$23b-in-regulation-savings/)

Uber and Lyft race towards IPOs next year as banks line up

<https://www.thestar.com.my/business/business-news/2018/10/17/uber-and-lyft-race-towards-ipo-next-year-as-banks-line-up/>

IMF chief Lagarde to skip Saudi investment conference

<https://www.theedgemarkets.com/article/imf-chief-lagarde-skip-saudi-investment-conference>

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DISCLOSURE OF INTERESTS

- *With regard to the companies mentioned, MSWG holds a minimum number of shares in all these companies covered in this newsletter, save for APFT Berhad.*
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Feedback

We welcome your feedback on our newsletter and our work. Email us at corporateservices@mswg.org.my with your comments and suggestions.

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