

MINORITY SHAREHOLDER WATCHDOG GROUP

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

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MSWG AGM/EGM WEEKLY WATCH: JULY 24 – 28, 2017

For this week, the following are the AGMs/EGMs of companies in the Minority Shareholder Watchdog Group (MSWG)'s watchlist. The summary of points of interest are highlighted here, while details of the questions to the companies can be obtained via MSWG's website at [HYPERLINK "http://www.mswg.org.my" www.mswg.org.my](http://www.mswg.org.my).

The AGMs/EGMs for the week:

Date & Time	Company	Venue
Jul 25 2017 10.00 am	Sapura Energy Bhd (AGM)	SapuraMines, No. 7 Jalan Tasik, The Mines Resort City Seri Kembangan
Jul 26 2017 10.30 am	Kim Loong Resources Bhd (AGM)	Holiday Villa Johor Bahru City Centre, No. 60, Jalan Dato Sulaiman, JB
Jul 26 2017 2.00 pm	Crescendo Corporation Bhd (AGM)	Holiday Villa Johor Bahru City Centre, No. 60, Jalan Dato Sulaiman, JB
Jul 27 2017 11.00 am	Rimbunan Sawit Bhd (EGM)	Menara Rimbunan Hijau, 101, Pusat Suria Permata, Sibu, Sarawak
Jul 28 2017 9.30 am	Pansar Bhd (AGM)	Tamahas Hotel, Jalan Kampung Nyabor, Sibu, Sarawak
Jul 28 2017 10.00 am	Malaysian Resources Corp. Bhd (EGM)	Connexion @ Nexus, No. 7, Jalan Kerinchi, Bangsar South City, KL

The points of interest to be raised:

Sapura Energy Bhd
With the SK310 B15 development on track towards achieving first gas by Q3 of 2017, the E&P team is now focused on developing and finalising plans for further commercialisation of the SK408 fields.

How significant is the contribution of this segment to the Group's financial performance and what is the outlook for this segment?

Kim Loong Resources Bhd

As reported in the Management Discussion & Analysis, the cost of production of CPO for FY2017 has increased by 21% to RM1,460 per MT of CPO. The increase was mainly due to lower oil extraction rate (OER) and production of FFB as well as increase in operating cost.

(a) We noted that the OER recorded in FY2017 was the lowest in the last five years since 2013. What were the reasons for OER to decline over the years?

(b) Apart from the labour cost, what are the major expense items in the operating cost that had contributed to the increase in total operating cost for FY2017?

(c) Would the weakening Ringgit have any impact on the operating cost?

Crescendo Corporation Bhd

In relation to the Company's Property Development activities, could the Board provide the take-up rates for projects launched during the year and the total unbilled sales to-date?

Rimbunan Sawit Bhd

The Lundu Oil Mill was commissioned into operation in March 2006. As stated in Section 7.3, Part A of the Circular to Shareholders, RSB intends to optimise production of the Lundu Mill by replacing the older machines at the mill to improve the consistency and reliability in the processes and to achieve higher production and efficiency.

(a) What would be the expected amount to be incurred for replacement of the old machines at the Mill and what would be the source of funding for the amount to be incurred?

(b) Other than replacement of the old machines, would there be any material CAPEX expected to be incurred on the Mill that has been operating for more than 10 years?

Malaysian Resources Corp. Bhd

The Exercise Price will be RM1.40 per Rights Warrant, representing a premium of approximately 27.27% whereas the Issue Price will be RM0.85 per Rights Share, representing a discount of approximately 22.73%, both to the TERP of MRCB Shares of approximately RM1.10 respectively.

While the rationale of the Issue Price, representing a premium of approximately 27.27% is a logical basis, would the Board clarify the basis of the Exercise Price of RM1.40 per Rights Warrant for conversion into MRCB shares?

Considering the future performances, profitability, earnings and dividend per share expectations that could attribute to the appreciation of the market price of MRCB shares higher than RM1.10, what measures would the Board put in place, if the major shareholders and/or minority shareholders find the Exercise Price of RM1.40 per Rights Warrant to be not attractive for conversion into MRCB shares over the medium to longer term?