

## MINORITY SHAREHOLDER WATCHDOG GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

(Incorporated in Malaysia – Company No. 524989-M)

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### MSWG AGM WEEKLY WATCH: 8-12 MAY 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
May 8 10.00 am	TH Plantations Bhd (AGM)	Seri Pacific Hotel Kuala Lumpur, Jalan Putra
May 9 10.00 am	DIGI. Com. Bhd (AGM)	Connexion @ Nexus, No. 7, Jalan Kerinchi, Bangsar South City
May 9 10.00 am	PPB Group Bhd (AGM)	Shangri-La Hotel Kuala Lumpur
May 9 3.00 pm	Gas Malaysia Bhd (AGM)	Hotel Istana, 73, Jalan Raja Chulan, KL
May 11 10.00 am	MMC Corporation Bhd (AGM/EGM)	Hotel Istana, 73, Jalan Raja Chulan, KL
May 11 11.00 am	Three-A Resources Bhd (AGM/EGM)	Tropicana Golf & Country Resort, Jalan Kelab Tropicana, PJ
May 12 3.30 pm	Malaysia Building Society Bhd (AGM)	Connexion@Nexus, No. 7, Jalan Kerinchi, Bangsar South City

#### The points of interest to be raised:

##### TH Plantations Bhd (AGM)

As stated in the Management Discussion & Analysis, one of the Key Growth Node codified for the Group is to enhance the value of the existing plantation portfolio by optimising processes, diversifying revenue streams and improving the capabilities in plantations. The ultimate targets are to achieve higher FFB yields and OER while lowering production costs.

- The FFB yield had declined from 23.86% in FY2013 to 15.36% in FY2016, represents a 36% drop over the last four years. Besides the El Niño phenomenon, what were the reasons for the significant drop in FFB yield and is there any target set for the yield?
- What is the ex-mill production cost (exclude taxes, if any) per MT of CPD for the last five years? By optimising processes, what is the expected timeline to see the production cost improved?
- In the efforts to diversify revenue streams of the Company, would the Company venture into downstream activities granted that the Company is purely involved in the upstream plantations activities currently? What other revenue streams could be expected from the diversification?

##### DIGI. Com. Bhd (AGM)

The Group recorded a decline in revenue from RM6.9 billion in FY2015 to RM6.6 billion in FY2016. We also noted that the ARPU has been on a declining trend from RM48 in FY2013 to RM42 in FY2016.

- What are the measures taken by the Board to improve the Group's revenue for FY2017?
- Could the Board explain the measures taken to address the declining trend in the ARPU?
- What is the Board's targeted ARPU for FY2017?
- With intense competition in the telecommunication industry, what measures have been taken by the Board for Digi to remain competitive and attractive to customers?

##### Gas Malaysia Bhd (AGM)

It was reported that the customer base for the year under review of 38,377 was lower compared to the preceding year of 38,690. However, it was compensated by the increase in the industrial sector that registered 819 customers, which contributed to about 99.1% of total gas volume sold.

- What were the reasons for the decline in customer base and what is the expectation for 2017?
- Since the industrial sector contributed to the bulk of the total gas volume sold, how and what measures is the Company taking to further tap this sector? What is the expected growth in the customer base in the industrial sector?

##### MMC Corporation Bhd (AGM/EGM)

Given MMC Group's capabilities as a leading utilities and infrastructure group, please share on the growth momentum, strategies, and vision and goals in place under the Group's business segments of ports and logistics, energy and utilities, and engineering and construction.

What are the agreed key performance indicators (KPIs) for the direction of individual business units under their annual budgets and their progress as stated in the Statement on Corporate Governance?

##### Malaysia Building Society Bhd (AGM)

MBSB's key strategy is to close the gap between the Group and commercial banking entities in line with its ambition to be a full-fledged Islamic banking entity. In line with the above, please comment on:-

- Existing Banking regulatory/compliance gaps and its progress.
  - Strategy to offload non-core financial assets in FY 2017.
  - Rebalancing its loan portfolio base retail vis-a-vis corporate financing including SME segment.
  - Progress on its proposed merger and details of the Strategic Business Plan 2017.
- If the merger negotiation is unsuccessful, please explain the game plan for the Group in next 3 years.