

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

New Straits Times, Business Times – Monday, May 28th, 2018 **(A)**

MSWG AGM WEEKLY WATCH MAY 28 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.

The AGMs/EGMs for the week:

Date & Time	Company	Venue
28.05.18 (Mon) 09.30 am	Xinghe Holdings Bhd (AGM)	The Royal Commonwealth Society, No. 4, Jalan Birah, Damansara Heights, KL
28.05.18 (Mon) 10.00 am	RGB International Bhd (AGM)	Bayview Hotel Georgetown Penang, 25A Farquhar Street, Penang
28.05.18 (Mon) 10.00 am	Naim Holdings Bhd (AGM)	Damai Beach Resort, Teluk Bandung Sambudong, Kuching, Sarawak
28.05.18 (Mon) 10.00 am	IHH Healthcare Bhd (AGM)	Hilton Hotel KL Sentral, 3 Jalan Stesen Sentral, KL
28.05.18 (Mon) 10.00 am	Sino Hue-An International Bhd (AGM)	The Royal Selangor Golf Club, Jalan Kelab Golf, Off Jalan Tun Razak, KL
28.05.18 (Mon) 10.00 am	NPC Resources Bhd (AGM)	The Palace Hotel, No. 1, Jalan Targki, Kararumuning, Kota Kinabalu, Sabah
28.05.18 (Mon) 10.30 am	Hock Hang Stone Industries Bhd (AGM)	Ornareport Berhad, Batu 16, Jalan Gapam, Ladang Gapam, Bemban, Melaka
28.05.18 (Mon) 02.00 pm	Hap Seng Plantations Bhd (AGM)	Menara Hap Seng, Jalan P. Ramlee, KL
28.05.18 (Mon) 03.00 pm	JcbNext Bhd (AGM)	Prescott Hotel Kuala Lumpur - Medan TuanKu, 23 Lorong Medan TuanKu 1, KL

One of the points of interest to be raised:

Xinghe Holdings Bhd (AGM)

As stated in the Company's public announcement dated 16 October 2017, most of the proceeds raised from the private placement are expected to be utilised as working capital for the Company and/or to fund its future investments/ business projects in Malaysia, but we do not see the cash raised being held in the Company.

(i) We note on page 62 of AR2017, the Group has generated strong operating cashflows in FYE 2017. What was the justification to raise additional working capital by placement resulting in EPS dilution? What is the optimal level of working capital for the Group?

(ii) Note 14 on page 93 of AR2017 states that the Company's issued ordinary share capital was increased from RM285,258,833 to RM297,158,833 by the following placements:

- (1) 200,000,000 new ordinary shares at an issue price of 5.2 sen per share on 26 January 2018; and
- (2) 25,000,000 new ordinary shares at an issue price of 6.0 sen per share on 5 February 2018.

What is the justification to raise additional working capital through the abovementioned placements, especially since the Group has generated strong operating cashflows in FYE 2017 (page 62 of AR2017)?

Naim Holdings Bhd (AGM)

The Group's loss in FY 2017 was mainly contributed by the loss of about RM121 million in the 6 MRT station projects.

(i) What is the likelihood of recovery of certain claimable prolongation/ acceleration costs from the client and how material is the amount?

(ii) Did the Company bid for any infrastructural projects like the MRT 2 and LRT 3 as the Company has the expertise gained from the earlier MRT project?

IHH Healthcare Bhd (AGM)

The following questions refer to Note 30 (b) on page 255 of the Annual Report.

(i) Net Exchange loss amounted to RM66.45 million in FY2017.

Could the Board provide the breakdown between realised and unrealised losses?

(ii) Write-off of Trade and other receivable amounted to RM28.07 million in FY2017. What is the nature of this write-off?

Sino Hue-An International Bhd (AGM)

The prices of coke has rebounded substantially to RMB2,293 per tonne in September 2017 as a result of the capacity curb by the China Government. What is the current prevailing price and what is the expected price over the next 6 to 12 months?

Hock Hang Stone Industries Bhd (AGM)

On page 6 of the Annual Report 2017, it is stated that the Group will closely monitor the selection of its customers and focus on those good pay-master customers who offer better profit margins in financial year 2018.

(i) What is the revenue growth target for sales of good segment for FY2018?

(ii) By focusing on good pay-master customers, what is the expected profit margin that the Group intends to achieve? What is the profit margin for FY2017?

Hap Seng Plantations Bhd (AGM)

The Group has successfully commissioned its first biogas plant located in its Jeroco Oil Palm Mill 1 in March 2017 as part of the Group's commitment to reduce carbon emissions (Page 7 of the Annual Report 2017).

(i) Please brief on the Group's first biogas plant in terms of features, expected maintenance cost annually, etc. (ii) In reducing the carbon emissions, are they any targeted percentage and timeframe to achieve it?