

## 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: 12-16 FEBRUARY 2018

For this week, the following are the AGMs/EGMs of companies which are in the Minority Shareholder Watchdog 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 [www.mswg.org.my](http://www.mswg.org.my).

#### The AGMs/EGMs for the week:

Date & Time	Company	Venue
13.02.18 (Tue) 09.30 am	Puncak Niaga Holdings Bhd (EGM)	Concorde Hotel Shah Alam, No. 3, Jalan Tengku Armpuan Zabedah C9/C, Shah Alam
13.02.18 (Tue) 11.00 am	Kuala Lumpur Kepong Bhd (AGM)	Wisma Taiko, 1 Jalan S.P. Seenivasagam, Ipoh, Perak
13.02.18 (Tue) 02.30 pm	Batu Kawan Bhd (AGM)	Wisma Taiko, 1 Jalan S.P. Seenivasagam, Ipoh, Perak
15.02.18 (Thur) 10.30 am	TH Heavy Engineering Bhd (EGM)	Bukit Kiara Equestrian &amp; Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, KL

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

##### Puncak Niaga Holdings Bhd (EGM)

1. As stated in the Financial Review on Page 26 of the annual report, in FYE2017, the business operating profit of Oleochemicals Division showed a 61% decline, from RM299.4 million in the FY2016 to RM115.5 million in FY2017. The decline was due to a major stock write-down and asset impairment which was caused by hedging of the raw material purchases as reported in the Chairman's Statement on Page 18 of the annual report.  
Could the Board share the hedging policy of the Group for the purchase of raw material? Would there be any change in the policy to ensure that the same write-down would not happen in future?

##### Kuala Lumpur Kepong Bhd (AGM)

1. The Group has planted about 8,000 hectares of oil palm in Liberia of which 40% are matured with ages ranging from 4 to 9 years. As reported in the Management Discussion &amp; Analysis on Page 29 of the annual report, the progress in Liberia is slow pending the resolution of several land issues, the execution of the recommended High Carbon Stock approach methodology and the social impact exercise with the local communities.

- What were the revenue and net profit contributed by Liberia Operations in FY2017?
- What would be the hectareage of oil palm coming to mature in FY2018 and what would be the profit contribution expected from Liberia operations in FY2018?

c. Could the Board update the progress on the land issues, the execution of the recommended High Carbon Stock approach methodology and the social impact exercise with the local communities?

##### Batu Kawan Bhd (AGM)

1. As reported in the Chairman's Statement on Page 22 of the Annual Report 2017, the profit contribution from Menara KLK building for FY2017 was RM2.66 million which was 38% lower than the profit contribution for FY2016. The decline was due to vacancies after some tenants exited upon completion of their tenancies.

- What were the occupancy rates of Menara KLK as at 30 September 2017 and 30 September 2016? To-date, what is the occupancy rate?
- What is the percentage of tenancies due for renewal in FY2018 and what is the expected renewal rate?
- Given that the over supply of office space, especially in the Klang Valley is expected to continue in 2018, what are the measures and strategies adopted to retain the existing tenants and to attract new tenants to the building?

##### TH Heavy Engineering Bhd (EGM)

As disclosed on page 10 of the Circular, the Proposed JX Nippon Contract Novation can only be implemented subject to the outcome of the GMOS Appeals and any further appeals that may be filed either by GMOS or the Company.  
What are the Board's plans if the Proposed JX Nippon Contract Novation cannot be implemented?