



**MINORITY SHAREHOLDER WATCHDOG GROUP**  
*Shareholder Activism and Protection of Minority Interest*

9 December 2015

**BY FAX/HAND**  
(Fax No.: 603-3392 9198)

The Chairman and  
Board of Directors  
**Hiap Teck Venture Berhad**  
Lot 6096, Jalan Haji Abdul Manan  
Batu 51/2, Off Jalan Meru  
41050 Klang  
Selangor Darul Ehsan.

**Attention:** **Ng Yim Kong**  
*Company Secretary*

**Re: Nineteenth (19<sup>th</sup>) Annual General Meeting (AGM) of Hiap Teck Venture Berhad**  
**("the Company or the Group")**

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MSWG received Notice of Hiap Teck Venture Berhad's upcoming AGM to be held on Tuesday, 15 December 2015 at 2.30 p.m.

In the interest of minority shareholders and all other stakeholders of the Group, we would like to raise the following:

**Strategy/Financials**

- 1) As stated in the Chairman's Statement, the local market will continue to be difficult with prices remaining low and intense competition from cheap imports.  
  
Nonetheless, the Group's key focus will be to continuously review its core strategies to improve the cost, quality and delivery of its products as well as operational efficiency.
  - a) How would the Group's business segments be able to survive during this period of difficulty and continue to grow its revenue, moving forward?
  - b) On the core strategies, what have been achieved and to be achieved in improving the cost, quality and delivery of the products? Please share with shareholders.
- 2) During the year 2015, the Group had written down its inventories totaling RM8.81 million which related to caving-in incident. What has been done to ensure that the incident would not recur?
- 3) A provision for impairment of RM55 million for the Group's investment in a Joint Controlled Entity (JCE) has been made in FY2015. The JCE had suspended its trial production the same year. Does the Board foresee that another provision for impairment will be likely to occur in the next 12 months?

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**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

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*Hiap Teck Venture Berhad*  
*19<sup>th</sup> AGM, 15 December 2015*  
*Page 2 of 2*

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#### **Corporate Governance**

MSWG is promoting certain standards of corporate governance best practices in PLCs. In this regard, we hope the Board would give due consideration to address the following issue:-

Publishing the summary of the minutes of the AGM proceedings and a copy of the Company's Memorandum & Articles of Association on the Company's website in line with the spirit of transparency and good corporate governance based on the ASEAN CG Scorecard which is being used to assess the level of CG standards of PLCs in Malaysia by MSWG.

We would appreciate if the Board could present the points raised here, and their related answers, for the shareholders present at the forthcoming AGM. At the same time, we await a written reply as soon as possible for our records, and for posting on our website for the benefit of all stakeholders.

Thank you.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Quah Ban Aik', is written over a faint, illegible printed name.

**Quah Ban Aik**  
Head  
Corporate Monitoring

QBA/RBB/nhs