



# The Observer

28.12.2018

## MSWG'S AGM/EGM WEEKLY WATCH 31 December 2018 - 4 January 2019

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](http://www.mswg.org.my).

Date & Time	Company	Venue
3.1.19 (Thur) 10.30 am	GFM Services Bhd (EGM)	Seri Pacific Hotel Kuala Lumpur Jalan Putra, Chow Kit, Kuala Lumpur
4.1.19 (Fri) 10.30 am	V.S. Industry Bhd (AGM)	Hotel Jen Puteri Harbour, Iskandar Puteri Johor Darul Takzim

### One of the points of interest to be raised:

Company	Points/Issues to Be Raised
V.S. Industry Bhd (AGM)	<p>On page 11 of quarterly financial announcement for Q1FY19, the Company stated that the prospect in the second half of FY19 is expected to weaken as it anticipates the order flow from a key customer to decline, which would affect the Company's profitability. The Company further stated that to mitigate this scenario, serious discussion with several prospective MNC customers will be held to secure new orders.</p> <p>What is the reason for the decline in the order flow? What is the progress on the discussion with the MNCs?</p> <p>What are other measures taken to improve the Company's profitability?</p>

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## MSWG'S WATCHLIST

### RED SENA BERHAD

#### CIRCULAR TO THE SHAREHOLDERS IN RELATION TO THE PROPOSED MEMBERS' VOLUNTARY WINDING UP AND PROPOSED APPOINTMENT OF LIQUIDATORS

Under the Equity Guidelines, a SPAC must complete its Qualifying Acquisition within the Permitted Timeframe.

A SPAC which fails to complete a Qualifying Acquisition within the Permitted Timeframe must be liquidated pursuant to Paragraph 6.41 of the same. The Company was listed on Bursa Securities on 10 December 2015.

The last day of the Permitted Timeframe for the Company to complete the Qualifying Acquisition was on 10 December 2018. On 6 July 2018, the Company announced to Bursa Securities that it has yet to enter into a conditional sale and purchase agreement for a Qualifying Acquisition.

As at the date of the said announcement, the Company had approximately five months left of the Permitted Timeframe to identify, sign a sale and purchase agreement and complete a Qualifying Acquisition.

Taking into consideration the processes and approvals required to complete a Qualifying Acquisition and the remaining time left, the Board had deliberated and concluded that the Company would not be able to complete a Qualifying Acquisition within the Permitted Timeframe.

In line with Paragraph 6.41 of the Equity Guidelines, and as further provided under Article 60C (7)(a) of the Articles, if the Company is unable to complete a Qualifying Acquisition within the Permitted Timeframe, the liquidation process shall commence as soon as practicable within 60 days after the expiry of the Permitted Timeframe.

(Source: RED SENA BERHAD's announcement on Bursa Malaysia's website on 24 December 2018)

[http://disclosure.bursamalaysia.com/FileAccess/apbursaweb/download?id=190828&name=EA\\_DS\\_ATTACHMENTS](http://disclosure.bursamalaysia.com/FileAccess/apbursaweb/download?id=190828&name=EA_DS_ATTACHMENTS)

### TRANSOCEAN HOLDINGS BHD

Transocean (THB) has entered into a head of agreement (HOA) with certain shareholders of Swift Haulage Sdn Bhd (Swift) namely Kenanga Nominees (Tempatan) Sdn Bhd, Persada Bina Sdn Bhd, Laserforms Sdn Bhd, Angka Dayamas Sdn Bhd, Bluefin Bidco Limited, Glory Portfolio Sdn Bhd, and Ng Chee Kin (collectively referred to as "the Vendors") with the intention to acquire the entire equity interest in Swift. The Vendors collectively hold 77.20% equity interest in Swift.

(THB and the Vendors are collectively referred to as "Parties").

The Parties agree that the entire equity interest in Swift (on an as-converted basis) is valued at and will be acquired by THB at a purchase consideration of not less than RM750 million, subject to due diligence, to be satisfied entirely via the issuance of new ordinary shares in THB ("THB Shares" or "Shares") at an issue price of RM1.50 per THB Share ("Consideration Share").

Swift's principal activities are provision of integrated logistics services, container haulage services and warehousing.

The HOA allows the Parties to negotiate the terms of the share sale agreement (SSA), which upon signing of the SSA will enable THB to explore the acquisition of Swift Group's logistics operations.

(Source: Transocean's announcement on Bursa Malaysia's website on 18 December 2018)

[http://disclosure.bursamalaysia.com/FileAccess/apbursaweb/download?id=91536&name=EA\\_GA\\_ATTACHMENT\\_S](http://disclosure.bursamalaysia.com/FileAccess/apbursaweb/download?id=91536&name=EA_GA_ATTACHMENT_S)

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## MSWG'S VIGILANCE

Listing of PN17 and GN3 companies

### PN17 Companies

1. AMTEK HOLDINGS BERHAD
2. APFT BERHAD
3. RGT BERHAD (fka ASIA KNIGHT BERHAD)
4. BERJAYA MEDIA BERHAD
5. BERTAM ALLIANCE BERHAD
6. CHINA AUTOMOBILE PARTS HOLDINGS LIMITED
7. DAYA MATERIALS BERHAD
8. EKA NOODLES BERHAD
9. HB GLOBAL LIMITED
10. KINSTEEL BHD
11. KUANTAN FLOUR MILLS BERHAD
12. MAA GROUP BERHAD
13. MALAYSIA PACIFIC CORPORATION BERHAD
14. MAXWELL INTERNATIONAL HOLDINGS BERHAD
15. MULTI SPORTS HOLDINGS LTD
16. PERISAI PETROLEUM TEKNOLOGI BERHAD
17. STONE MASTER CORPORATION BERHAD
18. SUMATEC RESOURCES BERHAD
19. TH HEAVY ENGINEERING BERHAD
20. UTUSAN MELAYU (MALAYSIA) BERHAD
21. YFG BERHAD

### GN3 Companies

1. G NEPTUNE BERHAD
2. IDIMENSION CONSOLIDATED BERHAD
3. WINTONI GROUP BERHAD

Please refer to the link below for the latest status of the company.

<http://www.bursamalaysia.com/market/listed-companies/list-of-companies/pn17-and-gn3-companies/>

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## LOCAL NEWS AND DEVELOPMENTS

Malaysia's economy likely to grow in February-April 2019: DoSM

<http://www.theedgemarkets.com/article/malysias-economy-likely-grow-februaryapril-2019-dosm>

Bursa, Asian markets slide on political uncertainty in Washington

<https://www.thestar.com.my/business/business-news/2018/12/26/bursa-slides-on-political-uncertainty-in-washington/>

KLCI to hover above 1,680-level, oil & gas stocks seen in focus

<http://www.theedgemarkets.com/article/khci-hover-above-1680level-oil-gas-stocks-seen-focus>

Tired bulls versus energised bears?

<http://www.theedgemarkets.com/article/tired-bulls-versus-energised-bears>

Unsold completed residential properties increase by 48%

<https://www.thestar.com.my/business/business-news/2018/12/24/higher-overhang/>

Unravelling Vincent Tan's business empire

<https://www.thestar.com.my/business/business-news/2018/12/22/unravelling-vincent-tans-business-empire/>

Dividen rendah ASB terjemah keyakinan pelabur

<https://www.bharian.com.my/bisnes/korporat/2018/12/511695/dividen-rendah-asb-terjemah-keyakinan-pelabur>

AirAsia Malaysia kemungkinan jadi syarikat penerbangan terbesar Asia Tenggara

<https://www.bharian.com.my/bisnes/korporat/2018/12/512349/airasia-malaysia-kemungkinan-jadi-syarikat-penerbangan-terbesar-asia>

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## GLOBAL NEWS AND DEVELOPMENTS

World Economy Is Set to Feel the Delayed Trade War Pain in 2019

<http://www.theedgemarkets.com/article/world-economy-set-feel-delayed-trade-war-pain-2019>

Emerging nations will take longer to outpace developed economies - Cebr

<http://www.theedgemarkets.com/article/emerging-nations-will-take-longer-outpace-developed-economies-cebr>

Nasdaq confirms bear market; economic worries sink Wall St

<http://www.theedgemarkets.com/article/nasdaq-confirms-bear-market-economic-worries-sink-wall-st>

Fund Managers See Value in Asia Bonds for 2019 After Bad Year

<http://www.theedgemarkets.com/article/fund-managers-see-value-asia-bonds-2019-after-bad-year>

Stocks under a cloud as US political uncertainty adds to growth fears

<http://www.theedgemarkets.com/article/stocks-under-cloud-us-political-uncertainty-adds-growth-fears>

Dollar under pressure as U.S. politics, Fed worries weigh

<http://www.theedgemarkets.com/article/dollar-under-pressure-us-politics-fed-worries-weigh>

Oil plunges 6 pct as economic slowdown fears grip market

<http://www.theedgemarkets.com/article/oil-plunges-6-pct-economic-slowdown-fears-grip-market>

Brent crude falls below US\$50/bbl for 1st time since July 2017

<http://www.theedgemarkets.com/article/brent-crude-falls-below-us50bbl-1st-time-july-2017>

U.S. oil prices rebound after tumbling to lowest since June 2017 on economy fears

<http://www.theedgemarkets.com/article/us-oil-prices-rebound-after-tumbling-lowest-june-2017-economy-fears>

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## DISCLOSURE OF INTERESTS

- *With regard to the companies mentioned, MSWG holds a minimum number of shares in all these companies covered in this newsletter.*
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## Feedback

We welcome your feedback on our newsletter and our work. Email us at [corporateservices@mswg.org.my](mailto:corporateservices@mswg.org.my) with your comments and suggestions.

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