

MINORITY SHAREHOLDER WATCHDOG GROUP

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

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SC, Bursa on watch as FGVH investigation deepens

FGVH has been reminded to make the necessary announcements to the market in a timely manner

by ALIFAH ZAINUDDIN

THE Securities Commission Malaysia (SC) and Bursa Malaysia are on high alert as investigations over claims of improprieties at Felda Global Ventures Holdings Bhd

(FGVH) escalate.

The SC said it has duly engaged FGVH on its recent leadership turmoil and is keeping tabs on all developments relating to the company with the local bourse.

“SC is reviewing the matter with Bursa. The company has been reminded to make the necessary announcements to the market in a timely manner.

“SC and Bursa will continue to closely monitor developments sur-

rounding this matter,” an SC spokesperson told *The Malaysian Reserve* (TMR).

External probe on the troubled plantation company began last Thursday when scores of officials from the Malaysian Anti-Corruption Commission (MACC) visited FGVH headquarters at Menara Felda, hauling away boxes of documents after a five-hour raid.

MACC deputy chief commissioner Datuk Azam Baki said the

Govt wants FGVH issue fixed before Hari Raya

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PricewaterhouseCoopers Malaysia.

Following a public spat between Mohd Isa and Zakaria, the government appointed former Cabinet Minister Datuk Seri Idris Jala as a third-party counsel to “establish the facts of the case”.

On Saturday, Prime Minister Datuk Seri Mohd Najib Razak said the appointment of Idris as counsel is to ensure that any investigations into FGVH would comply with the company’s laws, in line with good governance and to ensure fairness in the investigation.

Najib said it is the government’s “desire” to have the issue resolved before the end of Ramadhan, *Bernama* reported.

Despite the declaration, many still hold the view that Idris’ newly appointed role in FGVH is not clearly defined — on top of being unnecessary — given that the company is a listed entity.

Minority Shareholder Watchdog Group GM Lya Rahman said although the appointment of an external party is not uncommon, the investigation would be more credible if it were conducted by independent professionals who are not in any way linked to the government.

“We are of the view that more than one person, such as a committee, should be involved as it will provide for a check-and-balance and more impartiality.

“Furthermore, by virtue of Idris being a former minister — and also the tasks he had previously undertaken within the

government — there could be some apprehension or perception that the political agenda may gain the upper hand,” Lya told TMR, adding that whatever recommendations made should be in the best interest of the company, the shareholders and the stakeholders.

She said FGVH’s share price is expected to remain depressed and may even decline further if more “worms” are uncovered.

“The minority shareholders, unfortunately, have to bear with this bleak period.

“We hope that the investigation could be carried out expeditiously in a most transparent and impartial manner and concluded promptly so that all weaknesses and non-compliances of procedures and processes can be rectified, and corporate governance be further enhanced.

“For FGVH, it will be another round of soul-searching to ensure that the company is put on a stronger footing although in the interim period, the smooth running of the business may be slightly impacted.

“It is hoped that there are no serious adverse findings which may cause the company to suffer severe financial losses or huge impairment of assets,” Lya said.

FGVH shares remained relatively unchanged last Friday to close at RM1.66, after falling 6.63% overnight to RM1.62 last Tuesday.

The current price is nearly 65% lesser from its institutional price offer of RM4.45. The company has a market capitalisation of RM6.06 billion.