



MINORITY SHAREHOLDER WATCHDOG GROUP

Badan Pengawas Pemegang Saham Minoriti Berhad

Incorporated in Malaysia * Company No. 524898-M

The Observer

06 January 2017

MSWG'S QUICK TAKE ON-ONGOING CORPORATE DEVELOPMENTS

MULTI-USAGE HOLDINGS BERHAD ("MUH")

MUH announced on 21 December 2016 that Dato' Abdul Hadi Bin Awang Kechil, Ms Ang Ai Way, Ir Cheah Chin Huat, En Abd Aziz Bin Mat and Mr Tan Choon Heong who were subject for re-election at the 24th Annual General Meeting ("AGM") held on 21 December 2016 had withdrawn their offer for re-election as the Directors of the Company prior to the commencement of the AGM. In view thereof, the Ordinary Resolutions Nos. 1,3,4,5 and 6 as stated in the Notice of AGM dated 29 November 2016 were not put forward for voting.

MUH further announced that as Mr. Tan Chew Hua, a Non-Independent Non-Executive Director, had been suspended as a Director until 28 January 2017 for the purpose of assisting the on-going investigation into the matters highlighted in the qualified Auditors' Report and the Special Audit Report dated 25 February 2016 conducted by Messrs UHY FLVS Sdn. Bhd., MUH is left with Mr. Ang Hwei Chyn and Mr Ang Kim Cheng @ Ang Teng Kok as the functioning Directors of the company.

According to MUH in their announcement that upon consulting their legal counsel pursuant to Section 122 of the Companies Act, 1965, every company should have at least two (2) Directors at all times. Therefore, Ordinary Resolutions No. 2 and 7 as stated in the Notice of AGM dated 29 November 2016 also were not put forward for voting.

There was no resolution tabled to re-elect Mr. Gerald Mak Mun Keong, an Independent Non-Executive Director, at the AGM. The company subsequently announced that Mr. Gerald Mak had retired.

[Source: MUH's announcement on Bursa Malaysia's website on 21 December 2016]

MSWG'S COMMENTS:

MSWG's representatives attended the meeting as proxies and reported that the meeting was conducted in a chaotic manner. Questions raised by MSWG and other shareholders were either ignored or not adequately answered. This prompted the shareholders to pass a motion to replace the Chairman of the meeting which was unanimously voted for by the shareholders.

MSWG is concerned with the Chairman's conduct at the AGM who had blatantly disregarded the rights of shareholders to raise issues at the meeting.

In addition, one interesting question that we would like to highlight is - *Does Section 122 of the Companies Act 1965 prevail over the company's Article of Association's provision on casual vacancy?*

MSWG will continue to closely monitor the company.

TIGER SYNERGY BERHAD ("TSB")

TSB had held its 21st Annual General Meeting ("AGM") on 23 December 2016.

The voting results for resolutions of the AGM are shown below:

Resolutions	Votes in Favour		Votes in Favour		Results
	No. of votes	%	No. of votes	%	
Resolution 1 - To re-elect Ms. Tan Lee Chin, a Director retiring pursuant to Article 71 of the Articles of Association.	575,241,480	99.93	392,800	0.07	Carried
Resolution 2 - To re-elect Mr. Chua Eng Chin, a Director retiring pursuant to Article 71 of the Articles of Association.	575,382,180	99.96	252,100	0.04	Carried
Resolution 3 - To re-appoint Messrs. UHY as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration.	575,241,380	99.93	427,900	0.07	Carried
Resolution 4 - Special Business: Ordinary Resolution Authority to issue shares pursuant to Section 132D of the Companies Act, 1965	575,241,380	99.93	427,800	0.07	Carried
Resolution 5 - Special Business: Special Resolution Proposed Amendments to the Articles of Association of the Company.	575,241,480	99.93	392,800	0.07	Carried

[Source: TSB's announcement on Bursa Malaysia's website on 23 December 2016]

MSWG'S COMMENTS:

At the Company's 21st Annual General Meeting, discussion on the Audited Financial Statements for the financial year ended 30 June 2016 revealed numerous errors in the Annual Report which include wrong classification, incorrect disclosures, inconsistency of information in different parts of the Annual Report, etc.

Given that Annual Report is one of the main sources of information about the company's activity and financial performance for all stakeholders of the company, accuracy is something that must not be compromised.

The Board, in particular, the Audit Committee and the management, should be more diligent in preparing the Financial statements and the Annual Report of the company.

LOCAL NEWS AND DEVELOPMENTS

Hap Seng is best performing stock with 36.7pc return

<http://www.nst.com.my/news/2016/12/200710/hap-seng-best-performing-stock-367pc-return>

Best Privatisation Deal: A win-win for JCorp, Kulim minorities

<http://www.theedgemarkets.com/my/article/best-privatisation-deal-win-win-jcorp-kulim-minorities?type=Corporate>

Felda secures Malaysian govt financing for Eagle High stake purchase

<http://www.theedgemarkets.com/my/article/felda-secures-malaysian-govt-financing-eagle-high-stake-purchase?type=Corporate>

Country Heights' unit to appeal against RM22.5m tax liabilities

<http://www.theedgemarkets.com/my/article/country-heights-unit-appeal-against-rm225m-tax-liabilities?type=Corporate>

A surprise move to register CFOs

<http://www.thestar.com.my/business/business-news/2016/12/31/a-surprise-move-to-register-cfos/>

Industries wary of cumulative gas hike of 22.6% by end-2019, says FMM

<http://www.theedgemarkets.com/my/article/industries-wary-cumulative-gas-hike-226-end-2019-says-fmm?type=Corporate>

SC warns MQ Tech over breach of securities laws

<http://www.thestar.com.my/business/business-news/2016/12/30/sc-wont-hesitate-to-take-action-on-mq-tech-on-breach-of-securities-laws/>

The Store takeover offer 'not fair but reasonable'

<http://www.theedgemarkets.com/my/article/store-takeover-offer-%E2%80%98not-fair-but-reasonable%E2%80%99?type=Corporate>

New standards on Klibor rate setting, 9-month rate phasing out

<http://www.thestar.com.my/business/business-news/2016/12/30/new-standards-on-klibor-rate-setting-policy-document/>

Malaysia's producer prices up 2.2% in November

<http://www.theedgemarkets.com/my/article/malaysias-producer-prices-22-november?type=Corporate>

KFM's de-listing deferred as Bursa Securities considers its appeal

<http://www.thestar.com.my/business/business-news/2016/12/28/kfms-de-listing-deferred-as-bursa-securities-considers-its-appeal/>

GLOBAL NEWS AND DEVELOPMENTS

Strong data, health stocks lead Wall St higher

<http://www.theedgemarkets.com/my/article/strong-data-health-stocks-lead-wall-st-higher?type=Corporate>

Growth in China's factories, services slows in December

<http://www.themalaymailonline.com/money/article/growth-in-chinas-factories-services-slows-in-december>

China's new rules on yuan transfers are not capital controls

<http://www.thestar.com.my/business/business-news/2017/01/02/china-new-rules-on-yuan-transfers-are-not-capital-controls/>

India manufacturing seen shrinking as cash shortages continue

<http://www.thestar.com.my/business/business-news/2017/01/03/india-manufacturing-seen-shrinking-as-cash-shortages-continue/>

Oil prices rise as markets eye OPEC, non-OPEC production cuts

<http://www.thestar.com.my/business/business-news/2017/01/03/oil-prices-rise-as-markets-eye-opec-non-opec-production-cuts/>

MSWG Analysts

Lya Rahman, General Manager, lyarahman@mswg.org.my

Rebecca Yap, Head, Corporate Monitoring rebecca.yap@mswg.org.my

Quah Ban Aik, Head, Corporate Monitoring banaik.quah@mswg.org.my

Norhisam Sidek, Manager, Corporate Monitoring norhisam@mswg.org.my

Wong Kin Wing, Manager, Corporate Monitoring, kinwing@mswg.org.my

Hoo Ley Beng, Manager, Corporate Monitoring linnert.hoo@mswg.org.my

Nor Khalidah Khalil, Analyst, Corporate Monitoring khalidah@mswg.org.my

Vinodth Ramasamy, Analyst, Corporate Monitoring vinodth.ram@mswg.org.my

Muhammad Faris bin Mohamed Yusof, Analyst, Corporate Monitoring farisyusof@mswg.org.my

DISCLOSURE OF INTERESTS

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

Feedback

We welcome your feedback on our newsletter and our work. Email us at mswg.ceo@mswg.org.my with your comments and suggestions.

DISCLAIMER

This newsletter and the contents thereof and all rights relating thereto including all copyright is owned by the Badan Pengawas Pemegang Saham Minoriti Berhad, also known as the Minority Shareholder Watchdog Group (MSWG).

The contents and the opinions expressed in this newsletter are based on information in the public domain and are intended to provide the user with general information and for reference only. Best efforts have been made to ensure that the information contained in this newsletter is accurate and current as at the date of publication. However, MSWG makes no express or implied warranty as to the accuracy or completeness of any such information and opinions contained in this newsletter. No information in this newsletter is intended to be or should be construed as a recommendation to buy or sell or an invitation to subscribe for any, of the subject securities, related investments or other financial instruments thereof.

MSWG must be acknowledged for any part of this newsletter which is reproduced.

MSWG bears no responsibility or liability for any reliance on any information or comments appearing herein or for reproduction of the same by third parties. All readers or investors are advised to obtain legal or other professional advice before taking any action based on this newsletter.

ENDS./