

**MSWG****MINORITY SHAREHOLDER WATCHDOG GROUP****Badan Pengawas Pemegang Saham Minoriti Berhad**

Incorporated in Malaysia * Company No. 524898-M

The Observer

10 March 2017

MARKET AND REGULATORY UPDATE

SC PROPOSES AMENDMENTS TO ENHANCE FRAMEWORK FOR PRINCIPAL ADVISERS

Securities Commission Malaysia (SC) released a consultation paper on 6 March 2017 inviting feedback on enhanced framework for principal advisers as part of its ongoing efforts to develop a competitive and efficient capital market.

In issuing this consultation paper, the SC is seeking responses from the public on several proposed enhancements, including providing clarity on the roles and responsibilities of Qualified Senior Personnel (QSP) and Approved Principle Advisers (APAs). In addition, cognisant of the challenges faced by APAs in increasing the number of QSP, SC is proposing new eligibility criteria for the registration of QSP which includes admission of lawyers and reporting accountants with relevant experience as QSPs.

These enhancements are in line with the SC's efforts in promoting the quality of due diligence in corporate proposals submitted to the SC and the governance standards of industry gatekeepers in order to maintain the integrity of the capital markets and to protect investors' interests. To this end, the SC will also enhance its monitoring of QSP's continuous involvement in the preparation and submission of corporate proposals.

The full consultation paper is available on the SC's website. Interested parties and the public are invited to review and submit their comments and feedback to the email feedbackPA@seccom.com.my before the closing date of 30 April 2017.

[Source: Media release on the SC's website on 6 March 2017]

MSWG FORUM

EGM OF LAND & GENERAL BERHAD

We are pleased to inform that MSWG will be holding a forum relating to the proposals that will be tabled for the shareholders' approval at the EGM of Land & General Berhad (L&G) on Wednesday, 15 March 2017 at the Sri Damansara Club.

This forum is organised so that shareholders of L&G can have a better understanding of the proposals and make informed decisions at the said EGM.

We hope shareholders of L&G will take this opportunity to attend this forum which will be held as follows:

Date : 14 March 2017 (Tuesday)
Time : 03.30 pm
Venue : MSWG Training Centre
Minority Shareholder Watchdog Group
11th Floor, Bangunan KWSP
No. 3, Changkat Raja Chulan
Off Jalan Raja Chulan
50200 Kuala Lumpur

To register, please contact:-

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- Mr Vinodth Ram Ramsamy (Vinodth.ram@mswg.org.my)

Contact Number: 03-2070 9090

MSWG'S QUICK TAKE ON ONGOING CORPORATE DEVELOPMENTS

HAI-O ENTERPRISE BERHAD ("HAI-O")

Hai-O had issued notice to its shareholders that the company will be holding an Extraordinary General Meeting on 15 March 2017 on the Proposed Bonus Issue and the Proposed Establishment of an Employee's Share Option Scheme ("Proposed ESOS").

[Source: Hai-O's announcement on Bursa Malaysia's website on 23 February 2017]

MSWG'S COMMENTS:

MSWG noted that the Proposed ESOS is also extended to the Non-Executive Directors. We hope that the Board would consider excluding the Non-Executive Directors from the Proposed ESOS. MSWG has been strongly advocating against granting of ESOS to non-executive directors.

LOCAL NEWS AND DEVELOPMENTS

Has anyone noticed the new audit reports?

<http://www.thestar.com.my/business/business-news/2017/03/04/has-anyone-noticed-the-new-audit-reports/>

Growing trend of activist investments

<http://www.thestar.com.my/business/business-news/2017/03/04/growing-trend-of-activist-investments/>

Geely may pull out of Proton deal, says report

<http://www.nst.com.my/news/2017/03/217272/geely-may-pull-out-proton-deal-says-report>

January exports surge 13.6% to over RM70b

<http://www.thestar.com.my/business/business-news/2017/03/03/january-exports-surge-to-over-rm70b/>

Malaysia's FDI drops 5% in 2016

<http://www.theedgemarkets.com/my/article/malysias-fdi-drops-5-2016?type=Corporate>

Ire-Tex share trade halted following special notice on removal, appointment of directors

<http://www.theedgemarkets.com/my/article/ire-tex-share-trade-halted-following-special-notice-removal-appointment-directors?type=Corporate>

Mohaiyani first woman chairman of Maybank

<http://www.thestar.com.my/business/business-news/2017/03/03/mohaiyani-first-woman-chairman-of-maybank/>

Scan Associates' investigative committee has unfinished business

<http://www.thestar.com.my/business/business-news/2017/03/02/scan-associates-investigative-committee-has-unfinished-business/>

The curious case of Bank Negara versus MyCC

<http://www.thesunday.my/news/2181599>

Sumatec gets legal notice over RM121m loan default

<http://www.theedgemarkets.com/my/article/sumatec-gets-legal-notice-over-rm121m-loan-default?type=Corporate>

Silver Bird auditors did not raise red flag, says ex-chairman

<http://www.theedgemarkets.com/my/article/silver-bird-auditors-did-not-raise-red-flag-says-ex-chairman?type=Corporate>

TH Heavy former CEO faces two money-laundering charges

<http://www.theedgemarkets.com/my/article/th-heavy-former-ceo-faces-two-money-laundering-charges?type=Corporate>

GLOBAL NEWS AND DEVELOPMENTS

China aims for around 6.5% economic growth in 2017

<http://www.thestar.com.my/business/business-news/2017/03/05/china-aims-for-around-6pt5pct-economic-growth-in-2017/>

China house price growth seen slowing to 2% in 2017

<http://www.thestar.com.my/business/business-news/2017/03/02/china-house-price-growth-seen-slowing-to-2-in-2017/>

World's biggest banks fined US\$321bil since financial crisis

<http://www.thestar.com.my/business/business-news/2017/03/03/worlds-biggest-banks-fined-us321bil-since-financial-crisis/>

Federal Reserve set to hike rates later in March

<http://www.thestar.com.my/business/business-news/2017/03/02/federal-reserve-set-to-hike-rates-later-in-march/>

US consumer spending slows; inflation pushes higher

<http://www.theedgemarkets.com/my/article/us-consumer-spending-slows-inflation-pushes-higher?type=Corporate>

Japan consumer prices rise for 1st time in year but BOJ goal still distant

<http://www.theedgemarkets.com/my/article/japan-consumer-prices-rise-1st-time-year-boj-goal-still-distant>

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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.*

Feedback

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

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