



**MSWG**

**MINORITY SHAREHOLDER WATCHDOG GROUP**

**Badan Pengawas Pemegang Saham Minoriti Berhad**

Incorporated in Malaysia \* Company No. 524898-M

# The Observer

01 April 2016

## MESSAGE FROM THE CEO

### **MSWG-Institutional Investor Council (IIC) Corporate Governance Week 2016**

This week saw us successfully conclude our MSWG-Institutional Investor Council (IIC) Corporate Governance Week 2016.

The year's theme was aptly titled "Stewardship Matters - For Long Term Sustainability": a topic everyone in attendance universally agreed is critical and crucial in the current economic climate, both globally as well as domestically.

The reality is that the world is changing extremely quickly, and where Malaysia was at one time an island of sorts in terms of our local economy, the opposite is true today.

Globalisation has affected how we consume, interact and behave, while it has impacted our corporations in how they approach competition, quality, sustainability, hiring and new markets, among a myriad of other expectations.

Globalisation, truly, affects all of us, and in so many ways we never imagined possible.

In turn, our capital markets have also grown in leaps and bounds, in line with the rapid development of our economy, along with our ASEAN counterparts.

As we stand on the brink of cross-border capital flows between our economies and capital markets, it is absolutely key that the appropriate safeguards are in place to ensure an orderly and secure environment for investors.

Institutional investors, we believe, are crucial to this cause.

The formation of an Institutional Investor Council last year (and which followed the landmark launch of the Malaysian Code for Institutional Investors in 2014) have all served to hopefully culminate in an effective set of principles and guidelines to help institutional investors fulfill their stewardship responsibilities.

Via an assortment of areas that include influencing good corporate behaviour, promoting a responsible governance culture in their investee companies and strengthening market discipline in the corporate governance ecosystem, our capital markets will hopefully be set on a path to long-term sustainability in the global arena.

Regards,

Rita

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## MSWG'S WATCHLIST

### **SONA PETROLEUM BERHAD ("SONA")**

The Board of Directors of Sona announced that pursuant to the Extraordinary General Meeting ("EGM") held on 30 March 2016, the EGM was adjourned to a later date to be announced, which will be a date not later than 30 days from 30 March 2016. Accordingly, the Board will make the necessary announcement pertaining to the time and venue of the adjourned EGM in due course.

Following the adjournment of the EGM and other pending Conditions Precedent, namely the execution of the Transitional Services Agreement and the Dampier Spirit FSO Assignment and Assumption Document, Sona Australia has agreed with the Sellers to extend the cut-off date to satisfy or waive the Conditions Precedent as stipulated in the SPA from 31 March 2016 to 30 April 2016.

*[Source: Sona's announcement on Bursa Malaysia's website on 30 & 31 March 2016]*

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## LOCAL NEWS AND DEVELOPMENTS

Sukhdave reappointed as BNM deputy governor

<http://www.nst.com.my/news/2016/03/134704/sukhdave-reappointed-bnm-deputy-governor>

Malaysia's February inflation rises to seven-year high

<http://www.themalaymailonline.com/money/article/malaysias-february-inflation-rises-to-seven-year-high>

Ex-premier Abdullah Badawi appointed Petronas adviser

<http://www.thesundaily.my/news/1739758>

Malaysian economy to grow 4-4.5% this year

<http://www.thesundaily.my/news/1737760>

BNM to recommend administrative action against 1MDB

<http://www.thesundaily.my/news/1737641>

Malaysia Smelting Corp puts Malaysians back on its board

<http://www.thestar.com.my/business/business-news/2016/03/23/malaysia-smelting-corp-puts-malaysians-back-on-its-board/>

ASEAN capital market regulators roll out initiatives under ACMF's new 5-year roadmap

[http://www.sc.com.my/post\\_archive/asean-capital-market-regulators-roll-out-initiatives-under-acmfs-new-5-year-roadmap/](http://www.sc.com.my/post_archive/asean-capital-market-regulators-roll-out-initiatives-under-acmfs-new-5-year-roadmap/)

Petronas still in talks with Canada on LNG project

<http://www.theedgemarkets.com/my/article/petronas-still-talks-canada-lng-project?type=Corporate>

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## GLOBAL NEWS AND DEVELOPMENTS

Japan consumer inflation flat, keeps BOJ under pressure

<http://www.reuters.com/article/us-japan-economy-cpi-idUSKCN0WQ2PD>

U.S. Fourth-Quarter GDP Revised Up to 1.4% Growth but Corporate Profits Fall

<http://www.wsj.com/articles/u-s-fourth-quarter-gdp-revised-up-corporate-profits-fall-1458909252>

China industrial profits grow fastest since 2014

<http://www.ft.com/intl/cms/s/0/9ecf0030-f3d1-11e5-9afe-dd2472ea263d.html#axzz449qTQYs0>

Dollar poised for weekly gain after Fed officials signal rate hikes

<http://www.reuters.com/article/us-global-forex-idUSKCN0WR01J>

Myanmar stock exchange begins trade, FMI closes limit up

<http://www.cnn.com/2016/03/25/myanmar-stock-exchange-begins-trade-fmi-closes-limit-up.html>

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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 save for Sona Petroleum Berhad.*
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### Feedback

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

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