

LTH won't interfere

Silver Bird board will try to steer company out of troubled water

By FINTAN NG

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PETALING JAYA: Lembaga Tabung Haji (LTH), the largest shareholder of Silver Bird Group Bhd, will not interfere with the efforts of Silver Bird's board of directors to steer the bread and confectionery manufacturer out of troubled water.

LTH group managing director (MD) and chief executive officer Datuk Ismee Ismail told *StarBiz* that it was only fair that the directors be allowed to carry out their work. LTH has a 22.19% stake, followed by Berjaya Corp Bhd with 20.53% and Koperasi Permodalan Felda with 12.70%.

"We've a representative on the board. What's important is to establish the viability of the business as a going concern, and that's exactly what the board is doing. I believe that operationally, it's still a viable business," he said.

Adi Azuan Abdul Ghani is LTH's representative on the Silver Bird board.

Ismee added that there was no decision yet as to whether LTH would acquire more Silver Bird shares or sell down. Filings to the stock exchange showed that group MD Datuk Jackson Tan and executive director Ching Siew Cheong had their shares and warrants force-sold between March 1 and March 6.

Together with general manager for accounts and finance Lai Poh Mei, Tan and Ching were suspended from Feb 24 to facilitate an internal

inquiry into financial irregularities.

Meanwhile, the special committee appointed by Silver Bird's board said in an email reply that they were in the process of reviewing the leadership of the company but remained tight-lipped over who might eventually take over from Tan.

The committee members said in response to a query that they were reviewing all operations "including the current and future leadership" of the company.

There was speculation that Fraser & Neave Holdings Bhd's former CEO Datuk Tan Ang Meng had been approached to helm Silver Bird.

The members, which included five non-executive directors, namely chairman Prof Datuk Gan Khuan Poh, Datuk Seri Talaat Husain, Datuk Lee Kok Chuan, Richard George Azlan Abas and Adi Azuan, said they were "currently awaiting forensic report results" and would continue to manage the day-to-day operations in the meantime.

PKF Advisory Sdn Bhd, which was hired to conduct a forensic review, has three months from Feb 29 to complete its investigations of the accounts.

The board of Silver Bird had lodged a police report on Feb 26 in relation to the alleged financial irregularities and reported the matter the following day to the regulatory authorities

after Crowe Horwath, the company's auditors, expressed concerns over the validity and recording of certain transactions.

Before Silver Bird's announcement of the alleged financial irregularities, Tan directly owned over 44 million Silver Bird shares.

As at March 6, his stake had dwindled to less than 28 million shares (6.8%), while his wife Datin Ong Hooi Siang had about 2%.



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