

# NEWS RELEASE

## STOP POLITICISING TH

**Friday, 18 November 2016:** Lembaga Tabung Haji (**TH**) **will not compromise on corruption, misappropriation and abuse of power.** Such matters are viewed seriously and **TH** has always taken steps to enhance its Corporate Governance and good business practices measures, in its operations. Should such issues arise, **TH** will extend its fullest cooperation to the relevant authorities.

**On the matter of the allegation linking business challenges faced by TH Heavy Engineering (THHE) to the recent arrest of the former CEO of the company, we believe this is clearly misleading and an attempt to confuse the public.** The issue of the arrest is based on investigations by the Malaysian Anti-Corruption Commission ("MACC") against an individual. THHE is one of the many **TH** investment companies listed on Bursa Malaysia. **As a public listed company, it has its own Board of Directors and governance structure.** THHE itself has issued a press statement that they will give their full cooperation to the investigation.

However, the performance and challenges faced by THHE was largely a result of languishing global crude oil prices since 2014, which impacted Malaysia's oil and gas industry coupled with the economic situation, which led to slow down of exploration and production activities. These impacted companies in the oil and gas industry, many of which were forced to grapple with unpleasant realities of downsizing, slashing of costs and restructuring of core activities. Just like others who were affected, the slump in the price of crude oil and unfavourable sector outlook had also put a strain on the THHE's finances, slowing down its related business activities.

**Continued attempts to implicate TH seem to stem from a political agenda. TH's focus has always been to achieve the best in business and investments, in accordance to Islamic principles and in the best interest of its depositors. TH investment directions are guided by the Strategic Asset Allocation policy and the various investment activities will go through vigorous evaluation processes and approval levels.**

**TH welcomes investigations by the authorities to weed out any illegal and unacceptable practices, to ensure that transparency, accountability, integrity and good ethical business practises remain embedded into our operations,** as part of TH Corporate Governance. Rest assured that as a Government Linked Investment Company (GLIC), TH does not tolerate any form of action or behaviour that borders on corruption, misappropriation or abuse of power and has put in place proper processes and measures to prevent such abuse.

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### **Lembaga Tabung Haji**

Lembaga Tabung Haji (**TH**) is a statutory body incorporated under the Lembaga Tabung Haji Act, 1995 (Act 535). The principal activity of **TH** is in Hajj management operations, savings and investment. Among its core investment sectors are plantation, property, construction, banking, information technology, oil & gas, tourism, services and halal food. **TH** has 123 branches nationwide and a branch in Jeddah, Saudi Arabia. For more information about the Tabung Haji services, please visit our website [www.tabunghaji.gov.my](http://www.tabunghaji.gov.my) or call Tabung Haji Contact Centre at 03-6207 1919.