

MINORITY SHAREHOLDER WATCHDOG GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD
(Incorporated in Malaysia – Company No. 524989-M)

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MSWG backs Khazanah plan for MAS

BILQIS BAHARI

KUALA LUMPUR: The Minority Shareholder Watchdog Group (MSWG) has supported Malaysia Airlines' (MAS) proposed privatisation by Khazanah Nasional Bhd, describing it as a reasonable option for minority shareholders to take their investment out of the ailing national carrier.

MSWG also hopes that those responsible for MAS' poor financial performance will be made accountable, said its chief executive officer Rita Benoy Bushon.

She said Khazanah's offer price of 27 sen a share to acquire all MAS' shares is a 12.5 per cent premium over its pre-suspension price of 24 sen last Thursday.

The offer price is also a 12.5 per cent premium over MAS' last unaudited net assets per share of 21 sen as at March 31, she added.

"If the privatisation is successful, we hope that the restructuring exercise will be carried out in a transparent manner and the best possible options should be explored diligently," Rita told Business Times in an email response yesterday.

MAS shareholders have been asked to evaluate their investment profile and make a decision on the offer, said Rita, who is also a minority shareholder of the airline.

"Each shareholder has a different entry level of investment, and as in any investment, there are risks and some may suffer losses."

She said shareholders can choose not to accept the offer and face the risk of liquidation.

Should shareholders disagree with the buyout, they must accept that Khazanah may not be able to take MAS private.

"This would mean Khazanah would undertake any revival plans in the public domain."

Trading of MAS shares was suspended last Friday as Khazanah announced a RM1.4 billion offer to buy all MAS shares it does not already own under a selective capital reduction and repayment exercise (SCR).

Upon completion of the SCR, MAS will be delisted and Khazanah will be its sole shareholder.

Khazanah holds 69.4 per cent of MAS while the government holds a golden share.

MAS was one of the most active counters yesterday, gaining another half-a-sen to close at 26 sen, with 121.32 million shares traded.