

## MINORITY SHAREHOLDER WATCHDOG GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

(Incorporated in Malaysia – Company No. 524989-M)

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# ValueCap to receive RM6b from KWAP by end-November

BY TAN SIEW MUNG

KUALA LUMPUR: ValueCap Sdn Bhd should be receiving RM6 billion by end-November, according to Retirement Fund Incorporated's (KWAP) chief executive officer Wan Kamaruzaman Wan Ahmad.

The sum is part of the RM20 billion additional seed capital for the asset management firm to buy undervalued stocks in the local stock market that was battered in the last quarter.

Wan Kamaruzaman said KWAP is currently finalising the shareholders' agreement on the additional funding

for ValueCap, and all three shareholders need to present the agreement to the board.

He was speaking to reporters after the signing ceremony of Malaysian Code of Corporate Governance between the Minority Shareholder Watchdog Group and KWAP. To recap, Prime Minister Datuk Seri Najib Razak last month announced RM20 billion to be injected into ValueCap to lend support to the local stock market by acquiring undervalued stocks.

KWAP is one of the three shareholders of ValueCap. The other two shareholders, Khazanah Nasional

Bhd and Permodalan Nasional Bhd, are expected to chip in RM6 billion each. Wan Kamaruzaman noted that funding should not be an issue for the civil servants' retirement fund, as it would be financed by internally generated funds.

"We should be able to comply [with] the timeline, the latest by [the] end of November," he said, adding that the agreement still depends on a couple of moves for approval.

If the market continues to go up after the first tranche of fund injection, an additional would not be needed, said Wan Kamaruzaman.

"We might not need the additional injection, but if the market comes down, we'll probably need to support it further by having additional injections to put in place."

When asked about the criteria for undervalued stocks, Wan Kamaruzaman revealed that these the financial performances and management of companies.

"The stocks have to be qualified to be included as part of the stock universe that ValueCap can purchase under this programme. There are certain criteria, not necessarily just financials ... it can also be [the] man-

agement of the company," said Wan Kamaruzaman.

On a separate matter, Wan Kamaruzaman declined to comment on KWAP's loan to SRC International Sdn Bhd, a former subsidiary of 1Malaysia Development Bhd, which is now wholly-owned by the finance ministry. KWAP has caught public attention recently due to its RM4 billion government-guaranteed loan to SRC International.

It was reported that the Malaysian Anti-Corruption Commission was investigating SRC International over a RM4 billion bond.