

MINORITY SHAREHOLDER WATCHDOG GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

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

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Deal 'not fair but reasonable'

AP Land board postpones AGM but still recommends shareholders to sanction asset sale

PETALING JAYA: Asia Pacific Land Bhd (AP Land), which is the subject of a buyout from its major shareholder, adjourned its EGM on Tuesday to Nov 8 as it intended to change the disinterested board's recommendation on how shareholders should vote on the matter.

In a filing with Bursa Malaysia, AP Land said that its board, (save for interested directors, Low Gee Tat, Low Gee Teong and Low Su Ming) was now of the opinion that the proposed disposal "is not fair but reasonable." This is a move away from its previous view where the board had stated that the proposal was fair and reasonable.

It said the board formed this opinion "after taking into consideration the advice of Maybank Investment Bank as well as the independent adviser, MIDF Investment and all other relevant aspects of the proposed disposal, including the basis and justification for the disposal consideration, among others".

However, the board still feels that the proposal is in the best interest of AP Land and its non-interested shareholders and hence shareholders should vote in favour of the resolution.

AP Land said the relevant amendment to the circular would be despatched to shareholders

in due course together with the notice of the adjourned EGM.

On Jan 11 this year, substantial shareholder Low Chuan Holdings Sdn Bhd (the family-owned company that started AP Land half a century ago, and which is related to three of the executive directors), proposed to acquire the entire company, including all of the assets and liabilities.

Tuesday's EGM was held to vote on this proposal.

The buyout offer price works out 45 sen per AP Land shares, which was an 8% premium to its closing price of 41.5 sen before the announcement was made, but at a 57% dis-

count to the adjusted audited net assets per AP Land share as at Dec 31, 2010.

The Minority Shareholder Watchdog Group (MSWG) had highlighted that only a simple majority (or 50% plus one share) of non-interested shareholders' approval is required for the proposed privatisation, since the offer came before the amendments to the listing requirements (which raised the threshold for shareholder approval to 75%, where a listed company is disposing all, or substantially all, of its assets, resulting in it being no longer suitable for continued listing on Bursa).

MSWG had also urged minority shareholders of AP Land to vote wisely on the matter.