

MINORITY SHAREHOLDER WATCHDOG GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD
(Incorporated in Malaysia - Company No.200001022382 (524989-M))

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MSWG: TA Global's takeover offer unsatisfactory

The offer price represents a 74.5% or 82 sen discount to TA Global's estimated RNAV of RM1.10

by **NUR HANANI AZMAN**

TA GLOBAL Bhd's minority shareholders are unhappy over the takeover offer made by the property developer's parent company, TA Enterprise Bhd, claiming that the offer price is lower than the actual valuation.

According to Minority Shareholders Watch Group (MSWG) CEO Devanean Evanson, the minority shareholders who attended a discussion forum held by MSWG yesterday are mainly concerned with the offer price of 28 sen for TA Global shareholders.

The offer price represents a 74.5% or 82 sen discount to TA Global's estimated revised net asset value



Photo: Axi/Kontrono

MSWG head research and development Linnert Heo during the discussion forum in KL. MSWG cautions that the proposal could trigger an MGO in TA Enterprise if 16% of TA Global shareholders opt for the cash settlement

(RNAV) of RM1.10.

The minority shareholders should wait for the independent advisor's complete report on the takeover exercise before deciding on whether to opt for a cash payout or a share

swap if they choose to accept the takeover offer, Evanson said. "If the shareholders opt for cash, they will get 28 sen. If they take the share swap, they indirectly get to enjoy both TA Global's growth

through TA Enterprise, given that TA Enterprise will have both stockbroking and property businesses," he told reporters after the forum in Kuala Lumpur (KL) yesterday.

"We think the independent advisor will have more information because the report is prepared by licensed professionals and they can give more guidance to the minority shareholders on this matter."

The forum was attended by some 30 participants including minority shareholders of TA Global and TA Enterprise, remisiers and MSWG subscribers.

It was held to discuss the proposed privatisation of TA Global and was initiated after MSWG received numerous requests from the minority shareholders of TA Global and TA Enterprise.

"The corporate exercise is not straightforward and has caused confusion for the shareholders as this deal involves cash and share-

swap options," Evanson added.

On Feb 12, TA Enterprise proposed to acquire up to 2.12 billion shares or 39.83% equity interest in TA Global under a conditional voluntary takeover offer at 28 sen each.

The voluntary takeover offer shall be satisfied by a cash consideration of 28 sen for one TA Global share or a share exchange based on a ratio of 0.4211 for new shares in TA Enterprise to be issued at a price of 66.5 sen each for one TA Global share.

The retail stockbroking firm is also proposing to issue up to 550.54 million new shares at an issue price of 66.5 sen each, to be subscribed by its co-founder and chairman Datuk Tiah Thee Kian to fund the cash option pursuant to the proposed voluntary takeover offer.

MSWG cautioned that the proposal could trigger a mandatory general offer (MGO) in TA Enterprise if 16% of TA Global shareholders opt for the cash settlement.