

PRESS CLIPPING

DATE : FEBRUARY 3, 2021
MEDIA : NEW STRAITS TIMES
SECTION : BUSINESS
PAGE : 18
COLOUR : FULL COLOUR

CAREFUL EVALUATION

LTAT: BOUSTEAD PRIVATISATION PLAN'S OVER

Fund cites heightened risks, increased uncertainties amid Covid-19 pandemic

AYISY YUSOF
KUALA LUMPUR
bt@nst.com.my

THE Armed Forces Fund Board (LTAT) has decided not to proceed with its proposal to privatise Boustead Holdings Bhd (BHB).

It said in a statement yesterday the decision was made after careful evaluation of various factors amid the prolonged challenging economic environment arising from the Covid-19 pandemic and re-implementation of the Movement Control Order.

LTAT said the decision was also taken due to heightened risks and the increased uncertainties in completing the proposal.

Previously, the Securities Commission (SC) had, via a letter dat-

ed Oct 26 last year, approved a further extension of time till yesterday for LTAT to announce its firm intention to privatise Boustead.

LTAT said the SC had also advised that it would not grant any further time extension.

It would now support the conglomerate's plan to actively pursue and execute its turnaround plans and growth strategies.

"We (LTAT) shall continue to review our options in line with our objective to preserve and enhance the value of the assets under our portfolio and to improve the long-term return to our contributors," it added.

Boustead said in a statement it was jointly-agreed between both parties for its management to focus on its newly-crafted "Rein-



The Armed Forces Fund Board, which owns a 59 per cent stake in Boustead Holdings Bhd, had previously offered 80 sen per share to privatise the conglomerate.

venting Boustead" strategy to rejuvenate the group.

"The need to reinvent Boustead is needed more than ever. Through enhanced creativity and continuous innovation of business models, anchored in the foundation of uncompromising governance and integrity, we commit to transform our brick-and-mortar businesses to become more robust, digitised and sustainable," said group managing director Datuk Seri Mohammed Shazalli Ramly.

"Over the next few weeks, we will start unveiling our initiatives one-by-one to accelerate the reinvention of Boustead, and ultimately meet the expectations of our shareholders," he added.

Boustead chairman Datuk Seri Mohamed Khaled Nordin said the management would now have unwavering focus to capi-

talise on emerging opportunities and accelerate value creation.

LTAT owns a 59 per cent stake in Boustead.

On May 29 last year, Boustead announced that LTAT was considering privatising the company at an offer price of 80 sen per share.

LTAT had roughly RM9.5 billion in assets under management, according to a report by Bernama on its 2019 financial results.

Among LTAT's largest holdings are its stake in Boustead and a 35 per cent stake in Affin Bank Bhd, according to data compiled by Bloomberg.

Prior to yesterday's announcement, Boustead had requested a suspension of its share trading.

The stock, which will be traded again tomorrow, was last traded at 71 sen.