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`Offer to buy shares a private sector move'

THE offer from Effective Capital Sdn Bhd to buy Central Limit Order Book (CLOB) shares is a private sector initiative, Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi said.

As such, the Stock Exchange of Singapore (SES) was entitled to its view that the Effective Capital offer to buy CLOB shares falls short of accepted standards, Abdullah said.

Abdullah said Malaysia also wanted to know the details of the proposal to buy up the shares which were frozen since September 1998.

"Maybe he (Effective Capital's Akhbar Khan) will take other action, to appeal or make adjustments (to the offer). We don't know. We will continue to watch the situation," he said at a press conference in Kuala Lumpur yesterday.

Abdullah maintained that the CLOB issue is important to the Government, even though the current initiative is from the private sector.

Second Finance Minister Datuk Mustapa Mohamed was vague yesterday when asked whether the CLOB issue is no longer on the agenda of the direct discussion between Prime Minister Datuk Seri Dr Mahathir Mohamad and Singapore Prime Minister Goh Chok Tong.

"At this point of time, it is a private sector kind of arrangement transaction. The company has submitted a proposal ... we will leave it to the company to respond on the comments made by Singapore authorities."

When asked to clarify whether he meant that the issue will be discussed directly between the Stock Exchange of Singapore and Kuala Lumpur Stock Exchange, Mustapa answered:

"At this point of time, it is a specific issue which is being addressed on a case-by-case basis ... that is the context."

However, Mustapa clarified to reporters later that he "does not have complete information on this and is in no position to give any detailed comments".

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