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PM hopes CLOB issue is resolved

PRIME Minister Datuk Seri Dr Mahathir Mohamad yesterday said he hopes the issue of Malaysian shares previously traded on Singapore's Central Limit Order Book (CLOB International) has been finally settled.

"As far as I am concerned, I don't care how it is resolved as long as it is resolved," he said when asked if he expected CLOB shareholders to accept one or several proposals made thus far.

Dr Mahathir was speaking at a press conference after the opening of the Kankeiren's Asean Management Seminar in Kuala Lumpur. He was asked if he thought the CLOB saga has ended.

"I hope so," he replied.

The deadlock over Malaysian shares frozen on the over-the-counter CLOB market ended abruptly last week, with the Kuala Lumpur Stock Exchange (KLSE) and Singapore Exchange Ltd (SGX) agreeing on two staggered release schemes to present to CLOB investors.

The two proposals offered are those by Effective Capital Sdn Bhd, and an arrangement worked out between KLSE's Securities Clearing Automated Network Sdn Bhd and Singapore's Central Depository Pte Ltd (SCANS-CDP).

Those who go with Effective Capital will see their shares released over 13 months starting this July. SCANS-CDP plans to release the shares over nine months from January 2003.

Effective Capital's offer closes on March 31. It will charge a 1.5 per cent transfer fee based on closing prices of the shares on February 15 2000. SCANS-CDP will charge 1 per cent administrative fee based on the average share prices of the last five trading days of October 2002.

Shareholders who do not find either scheme attractive may go through the share recovery process under the Ministry of Finance.

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