

SC told to resolve TRI listing problem

SUN 22 FEB 2002

PUTRAJAYA: Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi said yesterday he had told regulators to take immediate action to resolve telecoms firm Technology Resources Industries Bhd's (TRI) share listing problems.

"I hope the action that will be taken by the regulators will be able to resolve the problems," he told reporters after chairing the National Disaster Management and Relief Committee.

Abdullah, who is performing the duties of Finance Minister in the absence of Prime Minister Datuk Seri Dr Mahathir Mohamad, said market regulator, the Securities Commission, needed "to act immediately" to overcome the problems as "confidence has been affected due to the action".

Meanwhile, Reuters reported that TRI said its RM3.8 billion debt revamp plan may collapse if it failed to secure the listing of newly issued shares.

Debt-laden TRI, headed by

tycoon Tan Sri Tajudin Ramli, is struggling to restructure over RM4 billion of debts via a recapitalisation plan, which included the sale of 473.8 million new shares and a rights issue of 755 million shares.

"The whole exercise will collapse," executive director Lim Kheng Yew told a news conference.

"There is a high risk underwriters for the rights issue will pull out if the new shares are not granted a listing," he said.

The Kuala Lumpur Stock Exchange blocked trading of newly issued TRI shares worth RM887 million on Wednesday, preventing investors from selling their holdings.

TRI said investors who bought the shares may also take legal action if the shares were not listed by today's deadline.

"We cannot dismiss any possibility. We have engaged our lawyers to advise us because the shares must be listed within six market days from Feb 14."

biggest cellular network operator, sold the shares only to institutions and says it obtained all the regulatory approvals for the new shares and rights issue.

"Never in my dreams did I think this could happen," Lim said. "Our lawyers told us all proper procedures and approvals have already been obtained."

Tajudin, the former chairman of Malaysian Airline System, was in the news earlier this week when the airline's new management said it had asked police to investigate allegations of irregularities during his time in charge.

Asked if the negative publicity surrounding Tajudin was a factor for the regulatory difficulties TRI was now facing, Lim said: "I don't think so. Why do it at the last minute? Most likely, someone somewhere overlooked something."

On the KLSE yesterday, TRI shares dropped eight sen to RM3.

TRI said the exchange had asked for clarification regarding the price set for the 473.8 million new shares, sold at RM1.75 and RM1.93 each.

TRI, the country's second