

**SC denies volte-face, probing Sime, E&O trade**  
**Malaysian Insider**  
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KUALA LUMPUR, Aug 10 — The Securities Commission (SC) has denied changing its decision on the Sime Darby-E&O general offer (GO), saying this evening that there is a pending judicial review on the matter.

In a two-paragraph statement, the regulator also said it was investigating any trade in the two counters that was triggered by The Malaysian Insider's report.

"As stated in our earlier statement, there is no change to the decision of 11 October 2011 pertaining to the Sime Darby-E&O general offer (GO) and there is a Judicial Review which is pending in court.

"The SC has begun an examination of the trading associated with the relevant counters arising from the rumour," the SC said in the statement.

The Malaysian Insider had quoted sources who said the SC is to order Sime Darby Bhd to make an general offer for Eastern & Oriental Bhd (E&O) shares after buying a 30 per cent stake last year.

It was learnt that the decision was made after a review by the leadership under new SC chairman Datuk Ranjit Ajit Singh.

"The SC has reviewed the matter and decided to overturn the earlier decision made when Tan Sri Zarinah Anwar was the chairman," a government source told The Malaysian Insider.

Ranjit, who was the SC managing director, took over as chairman after Zarinah ended her term last March 31.

Another source confirmed the review and said the decision will be made public soon.

Sime Darby purchased its controlling 30 per cent interest in the property developer from three major shareholders — managing director Datuk Terry Tham, Singapore's GK Goh Holdings and a group of investors led by businessman Tan Sri Wan Azmi Wan Hamzah — at the end of August last year in a deal that valued E&O shares at RM2.30 a piece.

The purchase price represented a 60 per cent premium over the value of the shares in the company on the open market when the deal was announced.

The RM776 million deal triggered unease over the widely perceived coddling by the agency of large state-controlled companies at the expense of minority shareholders when exercising its authority on corporate takeovers.

The SC ruled six weeks after Sime Darby's purchase of the three blocks that the plantation-based conglomerate did not have to make a general offer, prompting E&O minority shareholder Michael Chow to sue the SC for failing to compel Sime Darby to make a general offer for the rest of the shares.

The legal suit has renewed debate over the SC's handling of alleged irregular trading activities and had put pressure on Zarinah, whose husband, the E&O chairman, raised his personal stock holdings in the company just weeks before Sime Darby announced the acquisition.

The SC has also filed an application to recuse the judge hearing the suit as he used to be with the regulator. But the judge dismissed the application, only for the SC to file an appeal with the Court of Appeal which was to hear the case yesterday but the hearing is now on October 2.

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