

|             |   |            |         |
|-------------|---|------------|---------|
| Headline    | Maybank IB to issue 8 new call warrants |            |         |
| MediaTitle  | The Sun                                 |            |         |
| Date        | 27 Jan 2014                             | Language   | English |
| Circulation | 300,512                                 | Readership | 650,000 |
| Section     | Business Feature                        | Page No    | 16      |
| ArticleSize | 140 cm <sup>2</sup>                     | Journalist | N/A     |
| PR Value    | RM 4,632                                |            |         |
|             |   |            |         |



# Maybank IB to issue 8 new call warrants

**PETALING JAYA :** Maybank Investment Bank Bhd (Maybank IB) will issue eight new European style cash-settled call warrants (CW) with an issue size of 100 million each today.

The CW's is over ordinary shares of Astro Malaysia Holdings Bhd, Axiata Group Bhd, DiGi.Com Bhd, MISC Bhd, MSM Malaysia Holdings Bhd, Tenaga Nasional Bhd, Westports Holding Bhd and Zhulian Corporation Bhd.

"This tranche features a mixed bag of companies which are expected to perform for various reasons," Maybank Investment said in a statement yesterday.

The Malaysian telecommunication sector, it said, may see some key developments this year in 2014 with higher adoption of smart devices and wider 3G and 4G service coverage expected to drive industry growth.

It also expects the government's subsidy rationalisation policies to benefit Tenaga and MSM in 2014 as the effect of higher electricity tariffs and sugar prices is reflected in the companies' earnings.

Astro, meanwhile, it said is Malaysia's leading integrated consumer media entertainment group. It has 3.6 million subscribers and 53% penetration rate of Malaysian households.

"Maybank Research has a

buy call on Astro for its stable subscriber base and resistance to inconsistency of advertising expenditure," it noted.

Axiata, it pointed out, is a multinational mobile operator with presence in nine countries and 215 million subscribers across Asia. "A potential catalyst for Axiata is its telecommunication tower divestment exercise," it said.

DiGi, part of Telenor Group, is the third largest mobile operator in Malaysia with 10.5 million subscribers.

Tenaga, it said, stands to benefit from the recent 14.9% blended tariff announced by the Malaysian government recently.

"Maybank Research upgraded Tenaga to buy with the recent tariff hike and fuel-cost pass-through mechanism as potential earning catalysts," it stated.

The Malaysian government also announced a RM0.34 increase in sugar price in October 2013. "Being a leading sugar producer in Malaysia, MSM may be a beneficiary of the sugar subsidy reduction," it said.

The call warrants was given gearings as follows, Astro-CO (6.82 times), Axiata-CY (5.64 times), DiGi-CW (5.38 times) MISC-CU (5.21 times), MSM-CL (4.27 times), Tenaga-C9 (4.37 times), Westports-CF (3.37 times) and Zhulian-CC (4.08 times).