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U Mobile's major shareholders set to reject any buyout offer from other telcos

PETALING JAYA: The much speculated purported merger between U Mobile Sdn Bhd and Maxis Bhd may not materialise after all, going by some news reports that have emerged recently.

NST reported that major shareholders of U Mobile Sdn Bhd will reject any buyout offers for the telecommunications company, citing people with knowlege of the matter.

The report said this is because the major shareholders, including Berjaya Group founder Tan Sri Vincent Tan Chee Yioun, want to continue U Mobile's expansion to become one of Malaysia's top 5G players, the sources disclosed.

They also said that U Mobile is on track to file for an initial public offering (IPO) in the current quarter, the report added.

The purported merger attracted attention following a report published by *SunBiz* on July 18, quoting Communications Minister Fahmi Fadzil as stating that the Malaysian Communications and Multimedia Commission will ensure that any merger between telecommunications service providers upholds healthy competition and prevents monopolies in the industry.

The minister said this when responding to a question from a reporter following a news report earlier in the week about a possible Maxis-U Mobile merger.

Furthermore, Fahmi was quoted saying the proposal for Maxis to acquire U Mobile is primarily a commercial decision made by the companies involved and the government does not interfere in these business decisions and remains neutral on whether the merger would be beneficial or detrimental to the market.

Founded in 2006, U Mobile has been considering a listing since 2019, with plans to raise about US$500 million (RM2.1 billion) in the IPO. Another major shareholder of U Mobile is Singapore Technologies Telemedia Pte Ltd, backed by Temasek Holdings Pte Ltd.

Last Monday, it was reported that Maxis, ranked as the country's second-largest mobile operator and controlled by billionaire T. Ananda Krishnan, was considering buying out U Mobile to expand its presence in Malaysia.

Quoting people with knowledge of the matter, the report stated that Maxis had expressed interest in U Mobile and talks were at an early stage. It said that pricing could be a hurdle to a potential buyout, with U Mobile's owners seeking a valuation of more than RM10 billion, and there was no guarantee that a deal would be reached.

Meanwhile, a source had told *Business Times* that the shareholders of U Mobile are not selling and that they aim to launch an IPO and plan to grow the company.

U Mobile has an estimated 8.5 million subscribers and more than 9,000 4G sites, with a network ready for 5G.

Meta Bright intends to deepen presence in Australia

BY **JOHN GILBERT**
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Company sees opportunities to provide equipment leasing and financing services to support robust growth in the country's mining sector

KUALA LUMPUR: Meta Bright Group Bhd (Meta Bright) aims to deepen its market penetration in Australia in the next few years by leveraging the country's robust growth in the mining sector, particularly copper.

Executive director of corporate and strategic planning Derek Phang Kiew Lim (*pic*) said Australian copper mine production is projected to grow by 6.2% annually over the outlook period, reaching 1.160 million tonnes by 2028-29.

He said the projected growth presents significant opportunities for the company's leasing and financing services to provide essential machinery and equipment to support the mining operations.

"Our strategy includes expanding our portfolio of leased assets to include a wider range of machinery, tractors, lorries, and other equipment, ensuring that we cater to diverse industry needs.

"We are also enhancing our leasing terms and conditions to be more flexible and attractive to potential lessees, thereby increasing our customer base and rental income," Phang told *SunBiz*.

Meta Bright via wholly owned Australian subsidiary Meta Bright Australia Pty Ltd, secured a new equipment leasing contract from Australian copper mining company Mt Cuthbert Resources Pty Ltd (MCR) in April.

The company, in a filing with Bursa Malaysia, said Meta Bright Australia will provide dry hire equipment rental services to MCR, supporting its copper mining operations in Australia with essential machinery and equipment valued up to RM24.82 million.

The filing said this contract is expected to generate substantial monthly recurring rental income, estimated at A$222,950 (about RM699,260) monthly, enhancing Meta Bright's recurring revenue streams and reinforcing its presence in the Australian market.

In the same month, Meta Bright's wholly owned subsidiary, Meta Bright Sdn Bhd, secured RM28 million in financing facilities from AmBank (M) Bhd.

The funding expands its business operations and solidifies Meta Bright's capability to secure significant banking support within two years. The funds will be channelled to purchasing high-value equipment for Meta Bright Australia, a move set to solidify Meta Bright's presence in the international market and ensure a steady stream of recurring income.

As for its leasing and financing services on the domestic front, Phang said Meta Bright offers tailored financing solutions in Malaysia, including short- to medium-term business and personal loans with competitive interest rates, aiming to attract new borrowers.

"Our financing division, licensed by the Housing and Local Government Ministry under the Moneylender Act 1951, is designed to deliver fast and effective financial solutions, supporting business growth and financial flexibility for our clients," he said.

When asked about Meta Bright's plans or projects in the pipeline to maintain its growth trajectory, Phang said the key focus is on targeting high-demand sectors such as construction, agriculture, and logistics in Malaysia and Australia.

"By diversifying the types of equipment and machinery we lease, including tractors, lorries, and specialised construction equipment, we aim to attract a broader client base and secure long-term contracts that provide stable revenue streams."

Phang also said the group continues to capitalise on growth opportunities and maintains financial stability by expanding its presence in the energy-related, equipment leasing, and building materials sectors.

ADL: Malaysia must cultivate pool of advanced engineering talent to localise semicon industry

BY **AIMIE SHAZRIE**
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KUALA LUMPUR: While planning and preparing to localise the semiconductor industry, Malaysia needs to ensure the country has an adequate number of advanced engineering talent, said Arthur D. Little (ADL) Southeast Asia principal Daniel Chow (*pic*).

He said engineering talent is required not only in research and development but also in advanced manufacturing, which will directly attract investments from major companies such as Intel, Infineon and Nexperia to set up their factories in the country.

"Educational programmes should be in place from university level through to PhD, to attract individuals to develop capabilities in specialised electronics, as attracting overseas talent appears to be difficult in the nation's workforce industry," Chow said in an exclusive interview with *SunBiz*.

He noted that Intel's efforts to create its first advanced 3D chip packaging factory, along with Infineon's commitment of €5 billion (RM23.4 billion) over five years to develop the world's largest 200mm silicon carbide chip plant in Malaysia, have highlighted the nation's potential to upscale talent building.

"ADL believes that the government needs to offer a range of incentives, including subsidies, tax exemptions, visa waivers and other benefits. This will enable Malaysia to compete on an equal footing with other countries that are also implementing similar measures to localise the supply chain," Chow said.

Based on ADL's research, he said, Malaysia holds a 13% share of the worldwide market in chip packaging, assembly, and testing and ranks as the sixth largest semiconductor exporter globally.

"This shows that the chip industry is a significant economic pillar and ADL estimates that it accounts for about 25% of Malaysia's gross domestic product. ADL believes the nation is keen on evolving its chip industry from its current focus on assembly and testing to encompass higher value processes."

Chow praised the government's National Semiconductor Strategy (NSS), which outlines a three-phase plan to modernise existing capabilities, advance towards cutting-edge logic and memory chip design and fabrication, and ultimately attract buyers of advanced chips to source their manufacturing in Malaysia.

"Malaysia is demonstrating its dedication to realising its chip ambitions, with significant efforts from the NSS, committing RM25 billion to advance aspects of the three-phase plan," he added.

Addressing the collaboration between the government and industry stakeholders, Chow said that having the right infrastructure capabilities and foundational knowledge is critical, as building a solid foundation creates a conducive environment.

"Both sides can take additional measures in a phased approach to gradually build up more advanced capabilities and enabling infrastructure. This will allow them to scale up sustainably, into higher-value emerging frontier technologies over time. ADL believes this is the power of the government and industry stakeholders, when working together," he said.

Chow suggested that the government examine the benefits of fiscal measures in areas such as job creation and developing end-user application industries, while navigating geopolitical complexities as alliances shift constantly.

"ADL also suggests that governments around the world continue to support and promote low-tariff or non-tariff trade, provide tax breaks, and implement export-oriented and domestic-consumption-related measures for relevant end-user application industries," he said.