

ANWELL, Z-OBEE, HOTUNG: Three unusual announcements....

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ANNOUNCEMENTS made yesterday evening by three companies listed on the Singapore Exchange stood out for being unusual in nature:

#1. Anwell Technologies

said its major shareholder Tech Power Resources had sold 15 million shares last Friday (Jun 11) to an unnamed investor.

What's unusual is that the investor has agreed to a moratorium on the sale of the shares for five years.

The reason for the moratorium was not stated but an educated guess is that the investor is locked in so his or its (if it is a organization) interests are aligned with that of Anwell.



Anwell chairman Franky Fan with shareholders after the company's AGM in April this year. Photo by Leong Chan Teik

Related to that, the investor is also likely to be one which can play the role of a 'strategic investor' – as opposed to a passive investor who doesn't bring business value to Anwell.

The seller, Tech Power Resources, is owned by several shareholders - such as Anwell's chairman, Franky Fan, who is the majority shareholder, and several co-founders, including Ken Wu, who is Anwell's CFO as well as one of its executive directors.

The transaction reduces Tech Power Resources' holding from 50.96 % To 46.05 %.

The price of the sale and purchase of the shares was not stated in the announcement. Assuming it was at market price of around 57 cents a share, the purchase was worth about S\$8.5 million.



Ken Wu, CFO

In the light of the 5-year moratorium, the buyer is most likely expecting the shares to be worth much more than the purchase price. Otherwise, why agree to be locked in for such an unusually long duration?

And the buyer certainly must be looking to Anwell's solar panel manufacturing business taking off this year and beyond.

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