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Financing Corporate Acquisition by Selected Public Listed Companies on Bursa Malaysia: Cash versus Equity

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ABSTRACT

This study aims to examine the factors determining the choice of financing an acquisition by selected public listed companies on Bursa Malaysia based on five variables: Value of Acquisition, Level of Shareholdings by Board of Directors and Substantial Shareholders, Net Assets and Gearing Ratio of the bidder companies. Empirical testing involves a binomial type of dependent variable whereby values 1 and 0 are assigned to represent choice of cash and equity financing, respectively. Probit regression is employed, but the results fail to provide proof of statistical significance for all variables. However, the analysis show corresponding signs of coefficients, which supports the direction of relationship as predicted in the hypotheses.

JEL Classification: G32, G34

Keywords: Ownership Structure; Mergers, Acquisitions, Restructuring, Corporate Governance.

1. INTRODUCTION

Malaysia experienced dramatic growth in M&A activities for the past few years, with total transaction values recorded at USD5.3 billion in 2004, USD5.7 billion in 2005, USD25.3 billion in 2006, USD21.2 billion in 2007 and USD14.6 billion over the first half of 2008.[4] The nature of the M&A transactions are two-ways, which include domestic acquisitions by local and foreign companies as well as foreign acquisitions by local companies. Among the notable M&A transactions are shown in Table 1. The M&A growths in 2004 and 2005 are attributed to Malaysia's economic strength with GDP growth of 5.2% and 7.1% recorded in 2004 and 2005 respectively, mature domestic markets with robust private and public demands and rapid globalization experienced throughout the world. These

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resulted in increasing overseas investments by Malaysian companies along with relaxation in controls and regulations by government over foreign investments. Maturing domestic markets poses several economic challenges that force companies to consider opening new market in foreign countries, divest non-core and non-profitable businesses or consolidate businesses through M&A activities. Many Malaysian companies had started to venture abroad such as Petronas, Maxis Communication Bhd, Telekom Malaysia Bhd and Tanjong PLC. In addition, the M&A growths were also spurred by the government's continued restructuring of its Government-Linked Companies ('GLCs') particularly those companies under Khazanah Nasional Bhd in order to unlock and enhance their shareholdings' values. The significant M&A growths in 2006 and 2007 were driven by continued restructuring of corporate Malaysia particularly with several privatization exercises of Public Listed Companies ('PLCs') and GLCs. This privatization trend is also experienced elsewhere throughout the world and become a global phenomenon as shareholders of these companies attempt to further enhance their shareholding values. In Malaysia, owners and major shareholders are driving the privatization of their listed entities by taking advantage of the low interest rate environment and high liquidity in the credit market for the purpose of unlocking the value of their undervalued stocks.

Table 1 - Selected M&ATransactions in Malaysia, 2004 to mid-2008

Year	M&A Transactions
2004	• 51.6% stake in Sarawak Electricity Corporation by Sarawak Enterprise Corporation Bhd for USD272 million • 19.9% stake in Port of Tanjung Pelepas by MMC Corporation Bhd for USD198 million • 15% stake in Malaysian Plantations Bhd by Temasek Holdings Ltd for USD124 million • 79% stake in Johor Bahru City Square Shopping Centre by Government of Singapore Investment Corporation for USD122 million • Jaya Holdings Ltd (Singapore) by Sime Darby Berhad for USD131 million • MV Agusta Group by Proton Holdings Bhd for USD87 million
2005	• Lippo Bank of Indonesia by Khazanah Nasional Bhd for USD521 million • Electricite de France's Egyption power plants by Tanjong PLC for USD307 million • Chuan Hup Holdings Ltd of Singapore by Scomi Group Berhad for USD376 million
2006	• Asia Commercial Bank of Hong Kong by Public Bank Bhd for USD589 million • Spice Communications of India by Telekom Malaysia Bhd for USD180 million

Year	M&A Transactions
	• OYL Industries Bhd by Daikin Industries of Japan for USD2.1 billion • Merger between Sime Darby Bhd, Golden Hope Plantations Bhd and Kumpulan Guthrie Bhd for USD8.8 billion • Merger of Kuok Group's plantations assets with Wilmar International Ltd for USD2.7 billion • Stanley Leisure of UK by Genting International Bhd for USD1.3 billion
2007	• Petronas's acquisition of FL Selenia SPA and Star Energy Group PLC for USD1.9 billion • Chengdu Bank of China by Hong Leong Bank Bhd for USD265 million • IJM Properties Bhd by RB Land Bhd for USD369 million
Over 1st half of 2008	• Bank Internasional Indonesia and Pakistan's MCB Bank Ltd by Maybank Bhd for USD2.7 billion and USD673 million respectively • Gladstone Liquefied Natural Gas Project in Australia by Petronas for USD2.5 billion • India's Idea Cellular Ltd by TM International Bhd for USD1.7 billion • 25% stake in RHB Capital Bhd by Abu Dhabi Commercial Bank for USD1.2 billion

Source: Asia-Pacific M&A Bulletin, 2004 to mid-2008, PricewaterhouseCoopers.

Some of them are taking this privatization route for long term corporate strategic decisions such as the need to act fast particularly when making foray into foreign markets without being burden with the normal regulatory compliance imposed on a PLC by Bursa Malaysia and other regulatory authorities. Some of the noted privatization deals are listed in Table 2.

Table 2 - Selected Privatization Transactions in Malaysia 2005-2007

Year	Privatization Transactions
2005	• IOI Oleochemical Industries Bhd by IOI Corporation Bhd for USD230 million
2006	• Malakoff Bhd by MMC Corporation for USD2.5 billion • Southern Bank Bhd by Bumiputra-Commerce Holdings Bhd for USD1.8 billion

Year	Privatization Transactions
2007	• Maxis Communications Bhd by Binariang GSM Sdn for USD4.8 billion • AmInvestment Group Bhd by AMMB Holdings Bhd for USD698 million • Island & Peninsular Bhd and Petaling Garden Bhd by Permodalan Nasional Berhad for USD339 million • Rashid Hussain Bhd and its subsidiaries by Employee Provident Fund for USD4.5 billion • Malaysian Oxygen Bhd by Linde AG for USD424 million

Source: Asia-Pacific M&A Bulletin, 2004 to mid-2008, PricewaterhouseCoopers.

In financing an acquisition, a bidder company is faced with a choice between cash and stock financing with consequent effects on its capital structure. Amihud *et. al* (1990) suggests that managers of the bidders, who value controls in their companies, will prefer financing an acquisition using cash or debt rather than issuing new shares, which may dilutes their shareholdings or ownership and increases the risk of losing control in the bidders. Harris and Raviv (1988) and Stulz (1988) argue that acquiring firm managers, who value controls in their companies, prefer to pay cash for acquisitions in order to avoid dilution and the possible loss of control of their companies. By paying cash via issuance of debts for an acquisition, it would contribute to an increase in the gearing level of the bidder company. This may deter corporate raiders due to the increasing restrictive covenants (generally associated with higher debts) as imposed by lenders or subscribers of the debts. Subsequently, higher leverage would results in the decreasing ability of the companies to issue more debts. Haleblian *et. al* (2009) in their review of research in mergers and acquisition concluded that regardless of the motivations behind financing choice, several studies have shown that cash-financed deals are more beneficial, or at least less detrimental, to bidding firms' shareholders (e.g., Carow et al., 2004; Huang & Walkling, 1987; Loughran & Vijh, 1997).

Meanwhile, Martin (1996) considers the sizes of target and acquiring firms and their investment opportunities as determinants in choosing the method of payment. The study strongly supported that stock or equity financing is positively associated with high potential growth of a target company. A bidder company with low cash balance in relative to the value of the acquisition or low institutional shareholdings and block holdings would also prefer stock or equity financing. Faccio and Masulis (2005) examine the financing choices of European M&A and found that bidder characteristics, deal characteristics and target characteristics affect the choice of methods to finance an acquisition.

Following this thread of interest, we wish to examine the choice of payment method in acquisitions adopted by selected public companies listed on Bursa Malaysia and see whether similar patterns identified in the above literatures are traceable in the Malaysian scenario. This study hopes to contribute its empirical findings to the existing literature specifically applicable for Malaysian cases.

The remainder of the paper is organized as follows. The next section highlights selected literature reviews on the choice of financing corporate acquisitions. It is then followed by the research methodologies adopted in this study. The empirical results are discussed in the following section. Finally, the findings including its limitation and suggestions for further research are presented at the end of the paper.

2. LITERATURE REVIEW

2.1 Value of an Acquisition

Faccio and Masulis (2005) empirically found that the financing decision is influenced by several deal and target characteristics which among others include deal size. The average deal size for acquisition financed by equity in their data sample was dramatically 17 times larger than acquisition financed by cash while mixed financing cases were of an intermediate size. Also, the study noted that the relative deal size is significantly, negatively associated with cash payments for the UK sample. Martin (1993) found that firms that have lower cash balances relative to the price of the acquisition tend to choose equity financing. Based on these findings, a similar relationship is expected for Malaysia, that for high value of acquisition, a bidder company may likely opt to finance the deal using equity as a bidder company tends to avoid having high level of debt or has limited cash funding capability. Thus, the hypothesis is that:

H1: *There is a negative relationship between bidder's value of an acquisition and the likelihood of cash financing.*

2.2 *Level of Shareholdings by Board of Directors and Substantial Shareholders*

Percentage shareholding by board of directors and substantial shareholders are prone to exhibit a positive correlation against cash acquisition. This is due to the likelihood of cash preference in order to avoid diluting their personal control over company decision if equities are offered. Studies such as Amihud *et. al* (1990) and Ghosh and Ruland (1998) supported that managers of target firms who value influence in combined firms prefer stock rather than cash in corporate acquisitions. They found strong positive relationships between managerial ownership of buyer firms and cash acquisitions. As such, in this study, we expects high shareholding levels by board of directors and substantial shareholders are expected to positively influence a bidder company into financing an acquisition using cash or debts in order to avoid dilution of their controlling stakes in the bidder company. Thus, it is hypothesized that:

H2: *There is a positive relationship between the level of ownership by the board of directors and the likelihood of cash financing.*

H3: *There is a positive relationship between the ownership by the substantial shareholders and the likelihood of cash financing.*

2.3 Net Assets Value

Similarly, the value of net asset for bidder companies is predicted to have positive effect on the odds of choosing cash payment. Companies with higher value of net assets can undoubtedly afford to settle payment in cash and do not have to opt for equities to finance an acquisition. An example of literature corroborating cash preference by richer companies is done by Maghyereh (2005), who found that firms with more tangible assets have lower liquidation costs and will issue more debt rather than offering equity to finance an acquisition. This is further supported by Myers and Majluf (1984) which posit that firms with tangible assets that can be used as collateral may issue more debts. As the firm's manager may have better information than external shareholders on the costs associated with issuing securities, it may prefers to issue debt secured by property to avoid these costs. It is expected that high net asset value of the bidder company to positively influence the bidder company into financing an acquisition using cash or debts as the assets can be used as collateral to obtain loans or issuance of debts, hence the following hypothesis:

H4: *There is a positive relationship between the net asset value of the bidder company and the likelihood of cash financing.*

2.4 Gearing Ratio

In contrast, gearing ratios should show negative correlation with regards to cash financing. The higher the gearing ratios of the companies, the more likely that companies resort to equity financing due to their limited available or attainable funds. Hansen (1987) had theoretically explored the twin adverse selection effects of a seller having superior information about its asset value and the buyer having superior information about the value of the securities to be issued. Empirically, Hansen (1987) found that the probability of a stock offer increases with the buyer's debt and decreases with the buyer's total assets. It is also supported by Faccio and Masulis (2005) who argued that since cash is primarily obtained by issuing new debt, highly levered bidders are constrained in their ability to issue debt and as a consequence use stock financing more frequently.Thus, it is expected that high gearing ratio to influence a bidder company into financing an acquisition using equity in view of less ability for the bidder company to raise debts due to its high gearing level. High existing level of debts may hinder the ability of the bidder company to finance the acquisition using cash and thus it may resort to offering of its shares or stakes in its businesses. Hence, the hypothesis states that:

H5: *There is a negative relationship between bidder's gearing ratio and the likelihood of cash financing.*

3. DATA AND METHODOLOGY

Data is obtained from circulars to shareholders and respective companies' annual reports as published by the bidder companies, which are available from Malaysian stock exchange, namely Bursa Malaysia's website. The Listing Requirements dictates that for transactions with percentage ratios (defined under Item (h) of Chapter 10.02 of the Listing Requirements, among others, include transaction values of the asset in comparison to the net assets of a bidder) equal to or in excess of 15%, bidders have to issue circulars to their shareholders and the circulars must contain detailed information on background (such as business history and substantial shareholders' shareholdings) and audited financial statements of the bidder and target companies as well as, where applicable, valuation reports and foreign experts' reports. As such, this study only considers acquisitions by a public listed company that resulted in issuance of a circular to its shareholders for reliability and consistency of data. Table 3 summarizes the specified types of financial data that were extracted from the identified sources.

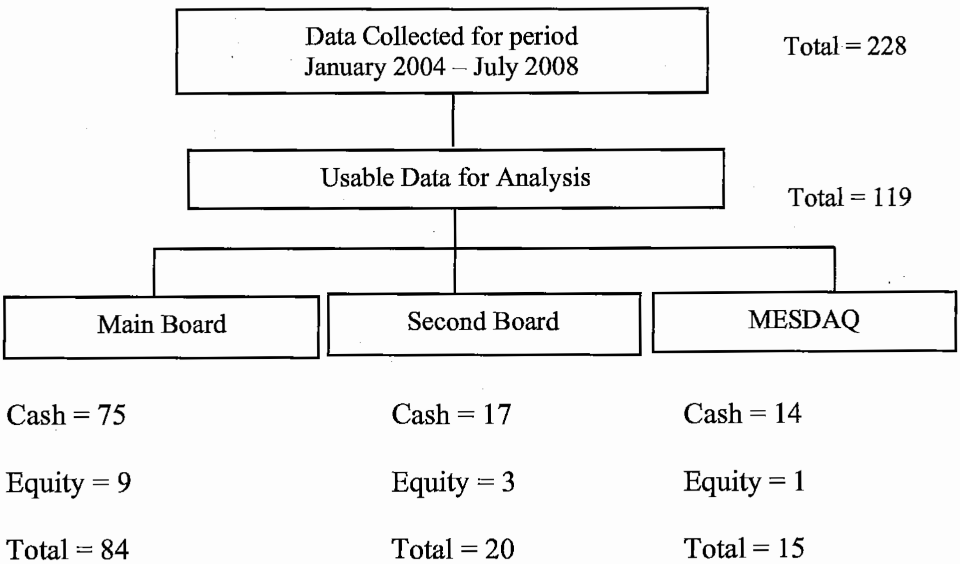
Data period is extended from January 2004 until July 2008 in order to achieve sufficient amount of samples required for empirical analysis. From details of acquisitions available in the above sources, only samples that report all information needed to represent the identified factors are selected. Figure 1 summarizes the specified types of financial data. From this sample period, selected reports are further short listed to 228 cases by excluding acquisitions that involve these three criteria:

(i) Mandatory general offer;
(ii) Purchase of lands; and
(iii) Multiple financing.

Table 3 - Selected Data Representation for Analysis

Category	**Types of Data**
Size of Transaction	(i) Value of Acquisition
Ownership	The percentage of shareholding by: (ii) The Board of Directors ('BOD') (iii) The Substantial Shareholders ('SS') * substantial shareholders are persons who hold more than 5% shares in a company, excluding shares held by investment fund
Company Value	(iv) Net Assets * assets minus liabilities
Level of Debts	(v) Gearing Ratios * total borrowings divided by total shareholders' funds

Figure 1 - Collection of Data Sample



The reason for excluding item (i) mandatory general offer and item (ii) land acquisitions is because these transactions posses limited options in choice of financing as they entail mostly cash transactions. On the other hand, acquisitions with multiple financing may complicate data labelling of dependent variables for choice between cash and equity in the empirical analysis. Hence, for data uniformity, only acquisitions financed by solely either method are accepted. On top of this, more samples are eliminated due to evidence of extreme outliers that may affect skewness and biasness of data. Some companies report zero values for percentage share of BOD since the directors are appointed or they are merely representatives of institutional shareholders. These directors may not personally own any shares or the amount owned is negligibly tantamount to zero. Others state zero values for gearing ratios because the companies are cash rich and do not have any borrowings. In addition, one particular sample is taken out from the list because the bidder company merely pays RM10 for a related party transaction. Finally, transactions which are terminated by the bidder companies or pending completion as at 2008 are omitted as to ensure only completed transactions are included in the sample.

As a result, the finalized numbers of acquisitions that fulfill our criteria for analysis is 119, of which 106 acquisitions were cash financing while 13 acquisitions were paid using equity financing. The higher number of cash financing is consistent with the findings by Loon (2005). The study examined the reaction of financial markets and the value generated by the announcement of M&A involving firms on the Bursa Malaysia over the period 1998 to 2004, and noted that cash payment method is the most popular medium contract in Malaysia.

A probit model is most suitable for specification of a ***generalized linear model*** that allows binomial data used in dependent variables, such as in the Malaysian data of financing choice between cash and equity, whereby the results of likelihood is often assumed to follow the ***binomial distribution***. Following previous studies done on method of financing using binary dependent variable, this study adopts the probit model of regression analysis to analyze the affect of five independent variables on choices between cash and equity financing. Among existing literature that employs probit analysis are Amihud *et. Al* (1990) who used a probit analysis to explain the choice in financing method as a function of ownership and target size. Another study by Faccio and Masulis (2005) also used the same method to examine the financing choices of European mergers and acquisitions particularly related to corporate governance. To serve the purpose of this study, a probit model similar to the ones used by the above studies is developed to include all five variables of interest. This model is represented by the following equation:

$$CASH = \alpha + \beta_1 ACVAL + \beta_2 BOD + \beta_3 SS + \beta_4 ASSET + \beta_5 GRATIO + \varepsilon_i$$

where; CASH = $\begin{cases} 1 & \text{if acquisition is financed with cash} \\ 0 & \text{if acquisition is financed with equity} \end{cases}$

ACVAL = value of acquisition (RM)

BOD = shareholding by BOD (percentage),

SS = shareholding by SS (percentage), $0 < x < 1$

ASSET = net assets (RM)

GRATIO = gearing ratio (percentage), $0 < x < 1$

ε_i = independently distributed random variable with 0 mean.

In this model, all β coefficients are estimated by ***maximum likelihood*** and expected to be statistically significant at an acceptable level of confidence, with corresponding signs to show direction of relationship between variables, thus supporting the hypotheses that these factors affects corporate decisions in choosing cash or equity as the method of financing an acquisition in Malaysia.

4. RESULTS AND DISCUSSION

4.1 Descriptive Analysis

From Table 4, out of 119 samples of acquisitions from year 2004 to 2008, the arithmetic mean values for acquisition is approximately RM36 million. The average values of net assets held by these companies is at RM218 million and for mean average of gearing ratio is 0.64. Mean percentage of participation by BOD is approximately 43 percent while average percentage held by SS is at 52 percent.

Table 4 – Descriptive Statistics

	Mean	Mode	Median	Standard Deviation	Minimum	Maximum
Value (RMbillion)	0.0359	0.0100	0.0210	0.0369	0.0024	0.1800
BOD %	0.4262	0.4712	0.4551	0.1855	0.0099	0.8090
SS %	0.5233	0.6940	0.5181	0.1459	0.1330	0.8090
Net Assets (RMbillion)	0.2178	0.2539	0.1501	0.2107	0.0117	1.1654
Gearing Ratio	0.6374	0.0738	0.3243	0.7499	0.0006	3.7269

(i) *Value of Acquisition*

A large number of values for both methods of financing quoted in this data set are under RM100 million. The highest value for cash transaction is approximately RM160 million for acquisition of Hubie Huasheng Aluminium & Electric Co Ltd (China) by Press Metal Bhd in 2007, whereas the highest value of acquisition paid with equity amounts to RM180 million by Permaju Industries Bhd when they bought Rintisan Bumi Sdn Bhd in 2004, a timber concession company based in Sabah.

(ii) *Percentage Shareholding by Board of Directors (BOD)*

A large number of BODs' shareholdings are around 47%. These can attribute to the reasons that most of the substantial shareholders of these companies also sit on the BODs. They usually own controlling stakes in the companies. It is noted that most of BODs' shareholdings under 10% can be pointed to the facts that these companies are usually owned by institutional investors. The BODs of these companies are appointed by institutional investors as their representatives to manage or protect their investments. In return, these BODs may own a token stake in the companies. For instance, in the case of Sindora Berhad, its BOD only owned approximately 1.2% of its shares. However, its substantial shareholder is Johor Corporation Berhad (JCorp), the investment arm of Johor state government, with approximately 66% stakes. Most of the BODs are personnel associated with JCorp. The highest BODs' shareholdings are approximately. In this case, Tan Sri Hamdan Mohamad, who holds significant shareholdings amounting to 81% stakes in Ranhill Power Bhd, is also the President of the company and he is part of the BOD.

(iii) Percentage Shareholding by Substantial Shareholders (SS)

The average percentage shareholdings by SS are approximately 70%. The SS is normally the promoter of the company, i.e. the person who drives or leads the company. With higher shareholding percentage, the SS would have more control of the company and be able to wield more influence in managing and charting the direction of the company including influencing key decision makings such as determining the method of financing. The lowest shareholding is recorded by Mercury Industries Berhad ('MIB'). It is noted that MIB was going under a management restructuring process, whereby old BOD members are resigning and being replaced by new BOD members. MIB has only two substantial shareholders with combined shareholdings of approximately 13.30%. With no dominant shareholders, the company is primed as a takeover target and its BOD can easily be replaced if new SS emerges with significant stakes. Data with more

70% SS shareholdings normally has one dominant individual shareholder or institutional investors. For instance, Symphony House Berhad is controlled by Datuk Azman Yahya (previously managing director of Danaharta Nasional Berhad) while Sindora Berhad is controlled by JCorp.

(iv) Net Assets

A large number of the data for net assets are around RM250 million. A company with high net assets may have more ability to borrow as its assets can be used as collateral for borrowings or issuance of debts in financing an acquisition. There are two companies with net assets more than RM800 million, namely KPJ Healthcare Berhad ('KPJ') and SapuraCrest Petroleum Berhad. KPJ has high net assets as it is one of the leading healthcare providers in Malaysia with numerous medical centres throughout the country whereas Sapuracrest is one of the main players in marine, oil and gas industries, which requires large capital investments.

(v) Gearing Ratio

A large of the data recorded is mostly below 1.0 times. With lower percentage, a company may able to raise more cash via issuance of debt securities or internally generated funds, i.e. bank borrowings, to finance an acquisition. There are four data with gearing ratio more than 3.0 times. These can be attributed to nature of the business/industry where the companies are operating. Ranhill Power Bhd and Hexagon Holdings Bhd are involved in the infrastructure development and power industries, where intensive capital expenditures are norms and hence the need for high leverage. In the case of RCE Capital Bhd, the high gearing ratio can be attributed to the issuance of its RM210 million fixed rate medium term notes ('MTNs') in 2006 as it tapped the debt securities market in order to fund its business expansion.

4.2 Probit Regression

The probit method of regression is chosen due to the binomial nature of data for dependent variable and the probit model analyzed using Eviews is based on the equation, $CASH = \alpha + \beta_1 ACVAL + \beta_2 BOD + \beta_3 SS + \beta_4 ASSET + \beta_5 GRATIO + \varepsilon_i$, whereby the parameters β are expected to exhibit the same signs as previously identified.

The regression result is presented in Table 5. Note that all signs correspond to preliminary predictions that suggest a positive impact on choice of cash financing by an increase in percentage shareholding by BOD and SS as well as the companies' accumulated net assets, and negative effect as the value of acquisition and gearing ratio of bidder companies rises.

However, the individual p-values of these variables fail to support statistical significance for all five variables in determining the method of financing. This model also demonstrates very poor goodness of fit with a McFadden R-squared value of 0.069613. Thus, this regression result does not provide statistical support to the significance of relationship between the selected independent variables and the choice of financing. Although the individual β signs accurately correspond to initial hypothesis, but low t-statistics and high p-values indicates the lack of support for statistical significance. Hence further implication and statistical inference are considered inept beyond this point of analysis. Therefore, empirical findings of this model statistically reject all of the initial hypotheses in this study.

Table 5: Choice of Financing M&A: Probit Regression

Variable	Dependent Variable: 1 if acquisition is financed with cash 0 if acquisition is financed with equity
Constant	0.876936 (1.323473)
ACVAL	-5.013450 (-1.242340)
BOD	0.705269 (0.750836)
SS	0.278443 (0.234707)
ASSET	0.278443 (1.619983)
GRATIO	-0.297595 (-1.453508)
Observations	119
McFadden R^2	0.069613

5. CONCLUSION AND DIRECTION FOR FUTURE RESEARCH

This study sets out to examine five variables as factors that determine the choice of financing an acquisition in Malaysia. The variables are Value of Acquisition, Percentage Shareholdings by BOD and SS, Net Assets and Gearing Ratio of the bidder companies. Though the empirical findings indicate the correct signs of coefficient, there is no evidence of statistical significance in any of these relationships. Previous studies have found statistical significance for these variables in the U.S. and Europe. Thus, the statistically insignificance found in the Malaysian data may perhaps be due to factors such as the difference in business culture and practice between developed and developing countries, ownership structure between individual and institutional shareholdings, motivation and management style of both bidder and target companies, government regulation and business cycle at the point of sample period.

For example, post Asian financial crisis saw a substantial increase in M&A activities in Malaysia as companies look for investment opportunities to support their business growth and survivability. This is further supported by the government's commitment and efforts to develop our domestic bond market as an alternative avenue for companies to raise funds, subsequently reducing dependency on banking institutions for borrowings. As such, the capital market is awash with liquidity and easy credit encourages M&A activities in the country. This may explains the fact that approximately 90% of our data involves cash transaction in financing acquisitions during the sample period of January 2004 to July 2008.

This study is hampered by several limitations which should be considered in future research in order to enhance the chances of improving statistical results and ability to infer significant implications. Such limitations include small sample period that may not cover the complete business cycle, thus it can be extended. For the current sample period, companies have easy access to financing hence the tendency to pay an acquisition via cash. As a result, the sample size of equity transactions are limited and may impede ability to capture complete effect of identified factors.

In addition, this study only examines the variables on the bidder companies. It is suggested that future research to include possible determinants on the motivation of the target companies for accepting an acquisition. In certain cases, a person may own shares in both bidder and target companies. Such scenario may affect the decision whether to finance an acquisition using cash or equity as the bidding parties may have personally interests in the transaction. Future studies could also cover all aspect of transactions that were omitted in the study such as acquisition of lands or mandatory general offer exercises.

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