

21/03/1998

Anwar: Appoint independent shipping valuer

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MALAYSIAN International Shipping Corporation Bhd and Konsortium Perkapalan Bhd should appoint an international independent valuer to determine the purchase price of Konsortium's shipping businesses, Finance Minister Datuk Seri Anwar Ibrahim said.

Anwar, who is also the Deputy Prime Minister, said he would propose to both parties to appoint an international shipping valuer to clear any misconception that the Government had interfered and influenced the proposed deal.

Anwar, who is on a one-day visit to Terengganu, said this after attending an economic dialogue at the State Secretariat in Kuala Terengganu. He had been asked to comment on criticism by the foreign media concerning the proposed deal.

MISC had proposed to acquire one of Petronas' subsidiaries, Petronas Tankers Sdn Bhd, and Konsortium's subsidiary, Pacific Basin Bulk Shipping Ltd. MISC has also proposed to acquire shipping assets from another of Konsortium's subsidiary, PNSL Bhd and equities in several shipping companies.

To finance the deal, MISC is expected to issue new shares to Petronas which will make the shipping corporation a subsidiary of the oil company. When this happens, Petronas' stake of 29.34 per cent in MISC will be increased to more than 50 per cent.

Neither Petronas nor MISC has made any decision on the price, Anwar said, stressing the proposed deal was not a bail-out.

"A bail-out only happens when you look from the aspect of price and value (of the deal)," he said.

"People are making assumptions that the Government has exerted pressure and influence only because the purchase involves Konsortium which is controlled by Mirzan Mahathir."

Anwar said the decision by both the MISC and Petronas boards in the deal was made after making a valuation on its strategic importance.

In the second deal, MISC is acquiring the entire paid-up capital of Pacific from Konsortium. It is also acquiring Konsortium subsidiary PNSL's 51 per cent stake in Asia LNG Transport Sdn Bhd (ALT) and Asia LNG Transport Dua Sdn Bhd (ALT2), and PNSL's nine ships and two newly-built ones.

Anwar said the issue of a bail-out was similarly raised after an early announcement by KUB Holdings Bhd to acquire a 32 per cent stake in the Malaysian Mining Corporation Bhd from Permodalan Nasional Bhd.

However, the speculation had been proven baseless when it was announced yesterday that KUB would pay RM668.91 million shares or RM2.50 per MMC share for the stake, he added.

Similar accusations were made on the problems faced by Renong in its business venture in the Philippines in which the Employees' Provident Fund was said to have been instructed to assist.

Anwar said any decision by EPF to participate in any investments would depend on the decision of its investment panel and must be based on the fund's investment interest.

"As such, it is still too early to talk about it. But, at the same time, we are not stopping EPF or Khazanah Holdings to look out or evaluate investments as done in the past."

However, Anwar said the Government's directive on investment by EPF was

clear and that it must be made after careful studies, conducted in accordance with existing rules.

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