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TONGKAH-AGM  
TONGKAH HOPES TO TURN AROUND IN YEAR 2000

KUALA LUMPUR, Dec 15 (Bernama) -- Tongkah Holdings Bhd, which incurred a loss of RM19 million in the financial year ended June 30, 1998, expects to perform well and turn around in the financial year 2000, chairman and chief executive officer Mokhzani Mahathir said today.

Speaking to reporters after Tongkah's annual general meeting (AGM), here, Mokhzani said losses were incurred despite an increase in turnover because of high interest rates and other factors.

The company posted a higher turnover of RM608.2 million as compared to the previous financial year of RM468.7 million.

"Hopefully interest rate will come down and bankers will continue to provide us with facilities.

"I think we are able to turn around the next financial year. Now it looks more promising than six months ago," he added.

Against the backdrop, Mokhzani said that Tongkah has no plan to divest its assets as yet saying, "Divestment, I think is an option that I would like to consider as the last alternative, if possible."

For any disposal of assets, he said, the company would ensure that it synergises with the group operation, adding that, "We see whether we can have joint-ventures or bring in new capital to invest in operations that we have."

So far, its subsidiaries are on their own and have been part of the engine of growth for Tongkah Holdings, Mokhzani noted.

He added, "If I can make sure they are efficiently managed, productive and profitable, I believe they can play the role again to turn around Tongkah."

Tongkah's subsidiary Tongkah Electronic Sdn Bhd is still waiting to be listed on the Mesdaq.

Meanwhile, on Hospital Pantai Bhd which is also having its AGM today, Mokhzani, who is chairman of the company, said that the company is still doing quite well and is still a profitable one with no gearing.

Currently, Hospital Pantai is undertaking two interesting projects. The first project is rebuilding of Hospital Pantai in Bangsar, which will be completed in 18 months while the second is the building of Hospital Pantai in Putrajaya which will be completed in September next year.

The project in Putrajaya is undertaken jointly between Tongkah and construction firm IJM Corporation Bhd.

Asked whether the hospital is facing difficulties financially, Mokhzani said, "At this point in time, we are able to cut cost and we are able to build the two hospitals at a very reasonable cost."

He also said that Hospital Pantai have aborted its restructuring plan as announced last year, to turn Hospital Pantai into one of a financial arm of Tongkah.

Mokhzani said that efforts have been made to streamline Hospital Pantai's operation and the exercise is expected to complete in the first quarter of next year. -- BERNAMA

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