

03 MAY 1999

Mahathir-Clob

ACCEPT PRICE OFFERED FOR EX-CLOB SHARES - DR M

KUALA LUMPUR, May 3 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said tonight Singaporeans holding Malaysian shares previously traded on Singapore's Central Limit Order Book (CLOB) market should accept the price offered for the shares.

The prime minister said the Singapore investors should be willing to sell the frozen shares at the price they were traded at the time CLOB ceased operations in September last year.

"A lot of them were responsible for the fall in the share prices. It is not morally right for them to gain benefit from something they did not help to achieve ... they were responsible in bringing down prices," he told reporters after chairing the Umno Supreme Council meeting here.

Dr Mahathir was asked to comment on reports that most of the investors were unhappy with the price offered by Effective Capital Sdn Bhd, a company controlled by Singapore businessman Akbar Khan, for the shares.

Malaysia-based Akhbar had on Friday offered to buy the shares for cash in U.S. dollars at an approximate premium of 45 per cent to their price on Sept 15 last year.

CLOB trading ended abruptly after Malaysia imposed capital controls which allowed investors to retain their CLOB shares but not sell them for fear of depressing a market already at record lows.

About 172,000 CLOB accounts valued at about 10 billion ringgit were hit by the freeze and have been untradable since, leaving investors holding effectively worthless stock.

Dr Mahathir said that at the time the share prices were at their lowest.

"They (the investors) did nothing to help to bring up the value. What they did was to reduce the value of the shares.

"They cannot benefit from somebody's else's efforts," he added.

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