

16/12/2000

Kedah's 'invisible hand'

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UNTIL some five months ago, nobody outside the Islamic religious circles really knew who Tan Sri Syed Mokhtar Albukhary was. He only came into the limelight when a company linked to him emerged as a substantial shareholder in Malaysia Mining Corporation Bhd (MMC) in August.

Impian Teladan Sdn Bhd took a 19.9 per cent stake in MMC, a move that attracted a lot of attention. MMC is no ordinary company. It is one of Permodalan Nasional Bhd's strategic investments, in the same league as Guthrie Bhd, Sime Darby Bhd and Malayan Banking Bhd. All these companies have strong cash holdings and vast quoted and unquoted assets. No ordinary businessman can penetrate them unless they have the blessings of PNB, which is intricately linked to the government.

Some fund managers look at Syed Mokhtar as the 'new Bumiputera corporate player in town'. He is a sleek operator, says a fund manager. For instance, in MMC's proposed acquisition of a 50.1 per cent stake in PTP, the biggest beneficiary is Seaport Holdings Sdn Bhd, a company linked to him. The whole port cost RM2.4 billion and after one year of its completion, MMC values the 50.1 per cent stake including its business potential at RM1.9 billion - signifying a hefty appreciation.

Syed Mokhtar avoids undue publicity. He is almost a recluse, shuns interviews and is rarely seen at public functions, even those involving his companies. His normal attire is a long-sleeved batik shirt and pants. Business associates say that they are trying to persuade him to wear a lounge suit to match his growing stature but he is reluctant to.

Syed Mokhtar is said to be a graduate of the school of hard knocks. He carries himself well and, according to an associate, is diplomatic in handling situations.

Like most other major corporate players, Syed Mokhtar's corporate holdings are through a web of companies which are difficult to track. For instance, it is well known that Syed Mokhtar is the man behind the fast-rising Port of Tanjung Pelepas in Johor (PTP).

The holding company of PTP is Seaport Terminal Sdn Bhd. Seaport's majority shareholder is Indra Cita Sdn Bhd. Indra Cita's shareholders in turn are Gugusan Melati Sdn Bhd and three other companies. His name does not surface but his presence is felt.

At MMC, only the senior people have seen Syed Mokhtar. In fact, he is rarely seen. Although executive director Tan Sri Ibrahim Menudin is the man at the helm in MMC, it is Syed Mokhtar who could be calling the shots.

Syed Mokhtar's entry into MMC raised questions. His job, apparently, is to transform MMC into a dynamic company by utilising its cash resources. Recently MMC sold its 49 per cent stake in an Australian mining company, Ashton Mining, for RM708 million, raising its cash holding to RM1.3 billion.

But what leaves company officials puzzled is that MMC had received numerous proposals before. An official says that parties within and outside MMC have forwarded business proposals.

'Many corporate figures have eyed MMC. People like Datuk Amin Shah (Omar Shah) have put in proposals ... but they never materialised,' says the official. 'Even officials within MMC tried.'

It is interesting why Syed Mokhtar was chosen to give MMC a facelift. To say he is politically active is not right. Although he hails from Kedah, the same state as Prime Minister Datuk Seri Dr Mahathir Mohamad, he is not

an active Umno politician.

'He is not into politics ... even in Kedah,' says a state Umno member. 'He is famous for building mosques. He has built many in Kedah and around the country. Even the mosque in KLCC (Kuala Lumpur City Centre) was built by him.'

It is learnt that Syed Mokhtar managed to impress the higher-ups with his ability to get two prestigious projects completed at the height of the recent recession. The first was PTP which started construction before the 1997 downturn and the second the luxurious Islamic Arts Museum perched on a plateau near the National Mosque in Kuala Lumpur.

When Dr Mahathir expressed the need for such a museum in 1994, Syed Mokhtar took up the challenge. It was completed at a cost of RM80 million in 1998.

Syed Mokhtar's younger brother, Syed Mohamed, who is mostly based in Florence, Italy, spent three years looking at the management and operations of some of the world's leading museums before creating the design for the Islamic Arts Museum. The centre has a fine collection of Islamic artifacts on display.

On the transformation of MMC, associates close to Syed Mokhtar say that the 50-year-old tycoon is planning to make the mining company his corporate flagship.

Syed Mokhtar comes from a notable family in Kedah. His uncle is believed to be Datuk Syed Kechik Syed Mohamed, who was known to be the political adviser to the late Tun Mustapha Datu Harun when the latter was Chief Minister of Sabah in the early 1970s. Syed Mokhtar married Syed Kechik's daughter. In his early years, he was involved in various trades but his family is better known for being rice millers.

In the 1990s, Syed Mokhtar was active in Johor. He is a close friend of former Johor Menteri Besar Tan Sri Muhyiddin Yassin, now Domestic Trade and Consumer Affairs Minister. In fact, both their names together with that of a third person cropped up in a civil suit involving the acquisition of 2,640 hectares of land in Johor in 1995.

Syed Mokhtar is also said to have engineered the listing of Johor Port Bhd and subsequently embarked on the PTP project. It is believed that Syed Mokhtar made his pile during the listing of Johor Port. He subsequently reinvested into PTP and later on built the museum.

In 1995, he set up the Albukhary Foundation which is run by his close friend Datuk Ismail Yusof. Though the foundation may have an Islamic slant, it also provides aid to many non-Islamic organisations. The foundation's biggest project is the construction, now underway, of a RM80 million Islamic Complex near Alor Setar.

Ismail describes Syed Mokhtar as a humble and shy person who took up the task of building the Islamic Arts Museum because he wanted to correct misconceptions about the religion. 'He is a workaholic,' says Ismail. 'And since young, he has been charitable. Even when he used to earn a few thousand ringgit, he was generous.'

On how Syed Mokhtar managed to get things done during the recession, Ismail says that 'recession or no recession, we have to move'.

Syed Mokhtar is indeed moving - for social causes as well as on the local corporate front. He has left a mark this year and it most probably will not be the last.

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