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PANTAI-AGM CORRECTION

PANTAI HOLDGS TO FULLY REALISE INVESTMENTS IN TONGKAH AND AVENUE ASSETS

KUALA LUMPUR, Feb 3 (Bernama) -- With the country's economy back on track, Pantai Holdings Bhd plans to fully realise its investments in Tongkah Holdings Berhad and Avenue Assets Berhad, its executive chairman Mokhzani Mahathir said.

The investments in the two companies was made before the economic crisis through a wholly owned subsidiary, Pantai Investments (Cayman) Ltd.

Pantai Investments (Cayman) Ltd's subsidiary, Maxgold Investments Group Limited had acquired 26.8 million shares of RM1 each in the open market representing approximately 16.78 percent stake of Tongkah for a cash consideration of RM108.8 million.

Pantai Investment had also acquired 32.3 million shares of RM1 each in the open market and 10 million shares on "married deal" basis representing collectively approximately 28.15 percent of the Avenue Assets, formerly known as Phileoland Berhad, for a total cash consideration of RM222.1 million.

"Our next move is to fully realise the investment in these two companies (Tongkah and Avenue Assets)," he told reporters after the company's extraordinary general meeting here today.

Both Tongkah and Avenue Assets are involved in diversified activities ranging from manufacturing, financial services, healthcare services to property development.

Mokhzani also said the company was planning to divest some of Avenue Assets' properties to reduce its borrowings. He said talks with several parties were already underway.

"By divesting some of its (Avenue Assets) properties, we will be able to reduce its borrowings to RM150 million from about RM500 million within the next six months," he said.

On Pantai's performance meanwhile, Mokhzani said the company was expecting better results for its healthcare-related business with emphasis on three separate divisions namely private hospital, supporting services and healthcare.

He said there was potential for the company to expand further in the healthcare-related businesses including expansion into areas outside the Klang Valley.

"We are looking at several opportunities to set up private hospitals nationwide and we have already received several offers," he added. --

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