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Pantai purchase gives Lim indirect control of Phileo

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LITTLE-known soap-maker Datuk Lim Tong Yong's RM60 million purchase of a controlling stake in Pantai Holdings Bhd has given him indirect control of Phileo Allied Bhd's RM1.2 billion cash hoard and an indirect stake in Kamunting Corp Bhd.

Businessman Datuk Mokhzani Mahathir's exit from the corporate world has seen Lim, a founder of soap-maker Paos Holdings Bhd, emerging with a collective 28.2 per cent stake in Avenue Assets Bhd which owns 18.5 per cent of Phileo.

It appears to have also helped Mokhzani get around the Securities Commission's (SC) controversial restriction in February on Avenue Assets' ability to sell its stake in Phileo.

Lim, 51, is chairman of Paos Holdings, which was listed eight months ago on the Kuala Lumpur Stock Exchange's main board.

Lim yesterday said he bought a 32.8 per cent stake in the Pantai group for RM59.64 million, or RM2.80 a share, from Mokhzani. Pantai shares ended at RM2.92 yesterday.

Through his interest in Pantai, Lim now holds a 16.1 per cent stake in Tongkah Holdings Bhd. Tongkah closed at 55.5 sen.

It is not known who has bought Mokhzani's direct interest in Tongkah of 12.6 per cent.

Pantai also owns a 22.8 per cent stake in Avenue Assets, which controls Phileo. Earlier this year, Phileo sold its Phileo Allied Bank Bhd to Malayan Banking Bhd for RM1.3 billion, and became a cash-rich shell in the process.

Following rumours that Mokhzani might have found a buyer for Phileo, the SC imposed conditions on its approval of the bank sale that effectively prevents Avenue Assets from selling its interest in Phileo without SC consent.

By selling his stake in Pantai, Mokhzani may have successfully gotten around the SC's condition. This leaves Lim to deal with the problem instead.

In March, Avenue Assets received a 16 per cent stake in Eastern & Oriental Bhd (E&O) from an earlier land-for-shares deal. This gave Avenue Assets an indirect interest in E&O's 26.9 per cent shareholding in Kamunting.

Yesterday, Lim was appointed as chief executive of Pantai and a non-executive director of Avenue Assets. At the same time, Mokhzani resigned from his posts in Pantai and Tongkah.

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