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ADNAN-SHARES

PAHANG WELCOMES SPV TO ASSIST IN THE RECOVERY OF STATE-RUN UNIT TRUSTS

KUANTAN, Jan 9 (Bernama) -- The Pahang state government welcomed the Federal Government's proposal to set up a special purpose vehicle (SPV) to assist in the recovery of the financially troubled state-run unit trusts.

Menteri Besar Datuk Seri Adnan Yaakob said that the state government has always hoped that the Federal Government would assist in the recovery of these unit trusts, like the Amanah Saham Negeri Pahang (KUMIPA).

He said that the state government would not be able to revive the unit trust concerned as it required a lot of money to do so, whereas the state government did not have that much fund.

"This is compared to the Federal Government, which has a large fund and is able to help overcome the problems," he told reporters after a ceremony to present a contribution to the Malaysian Armed Forces (ATM), here today.

Adnan said that in his opinion, what is important is that with the recovery, although investors would not obtain profits, they would be able to get back their capital.

However, this would depend on Prime Minister Datuk Seri Dr Mahathir Mohamad, as the Finance Minister, to make a decision and that the state government would support his decision.

It is understood that KUMIPA which was offered at RM1 is now priced at 35.99 sen. KUMIPA was launched in 1974 before it was re-launched in 1994 to expand its fund.

KUMIPA distributed its last dividend to investors at 4.25 percent in April 2002.

On Monday, reports said that the government has set up the SPV to revive state-run unit trusts with its 531,480 investors, which performance had been affected by the 1997/98 regional financial crisis.

It was also reported that the set up of the SPV is the best solution to overcome the problems faced by the majority of the state-run unit trusts which unitholders come mainly from the lower income group. -- BERNAMA

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