

Maju Expressway sale could be 'as bad as selling APs', says Dr M
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KUALA LUMPUR, April 16 — The Maju Expressway sale appears to be an exercise of making money from government assistance and Tan Sri Abu Sahid Mohamed should explain himself to the public, Tun Dr Mahathir Mohamad said today.

His comment comes after the RM1.7 billion sale last month raised questions over the fairness of deal as Abu Sahid's Maju Holdings Sdn Bhd could walk away with an estimated return of between RM660 million and RM1 billion after just four years of operation. The construction of the RM1.3 billion toll concessionaire was offset by a huge government grant of RM976 million.

"You sell what is yours, you don't sell what belongs to others. It could be as bad as selling APs," Dr Mahathir (picture) told reporters on the sidelines of a strategy conference here, referring to the frowned upon practice of well-connected Bumiputera businessmen making quick profits from nothing more than selling import licences granted by the government.

The former prime minister, who is still influential within government and Umno circles, said Abu Sahid had tried to give him an explanation but he needed to explain it to the public.

"He tried to explain it to me but I told him you have to explain to the public why do you sell it and why you seem to be making money out of a government contract," said Dr Mahathir.

He added that Abu Sahid should explain "how he sells it, to whom is he selling it" and "whether it is still his or it is no longer his."

EP Manufacturing Berhad had last month entered into an acquisition agreement with Maju Holdings to acquire the Maju Expressway (MEX) for RM1.15 billion and also assume debts totalling RM550 million, valuing the deal at a total cost of RM1.7 billion.

MEX is 96.8 per cent owned by Maju Holdings in which Abu Sahid holds a 91 per cent stake.

MEX is the concession holder of the 26km-long link between Kuala Lumpur and Putrajaya and Cyberjaya.

The portion of the link extending to the Kuala Lumpur International Airport (KLIA) was deferred in 2003.

It was reported that Maju Holdings had sub-contracted the job of building MEX to Australia's Leighton group.

MEX was completed in December 2007 and started operations the following January.

Source: <http://www.themalaysianinsider.com/malaysia/article/maju-expressway-sale-could-be-as-bad-as-selling-aps-says-dr-m/>