

KERATAN AKHBAR

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'Explain investment plans'

Wee urges govt to clarify steps to monetise sale of strategic assets

DATUK Seri Dr Wee Ka Siong has asked the government to state clearly its actions to get consistent returns after disposing of some of the national strategic assets.

The Ayer Hitam MP said at the moment, the government only knew how to liquidate strategic assets but had yet to explain its concrete plans to replace them.

"For instance, (Khazanah's stake in) IHH Healthcare Berhad, which brought many benefits, was sold to Japan's Mitsui & Co Ltd, without an open tender, for about RM8.2bil.

"Now we will no longer get any returns each year. What are the concrete steps taken by the government after selling it?"

"How is the government going to invest strategically to get consistent returns in the future?" the MCA president asked in his supplementary question to Deputy Economic Affairs Minister Mohd Radzi Md Jidin during Question Time.

Mohd Radzi told the Dewan Rakyat that the selling of equities or disposal of assets in full or half by any government-linked investment companies (GLICs) like Khazanah Nasional Berhad was nothing new.

He said Khazanah, as an investment fund, carried out the sales of equities whether under the old or new administration.

"The sale of equity is considered once the investment has achieved its financial or strategic targets.

"So in general, we can agree that is the model how Khazanah does its business.

"Without disposing of (the assets), Khazanah would be too dependent on the dividends and their portfolios would remain stagnant," he said.

Mohd Radzi revealed that since April last year, Khazanah had divested 84 times with proceeds worth RM46.16bil.

He said this included 22 divest-



Hello there: Port Dickson MP Datuk Seri Anwar Ibrahim shaking hands with Dr Wee at Parliament. Looking on is Water, Land and Natural Resources Minister Dr Xavier Jayakumar. — Bernama

ments between May 2018 and last June with proceeds worth RM18.76bil.

"The proceeds between May last year and June would be used by the GLICs to make new investments or service its debts.

"As a separate entity, the proceeds from the sales would not go directly to the government's coffers but would be paid in other methods

such as dividend or tax," he said.

Citing an example, Mohd Radzi said the selling of Khazanah's stake to Singapore developer M+S Pte Ltd involving a five-star hotel in the island republic was Khazanah's own commercial decision.

"The decision to sell assets to M+S was made under the previous administration. When the new government takes over, we proceed

with the disposal as it is part of Khazanah's commercial decision," he told Hassan Abdul Karim (PH-Pasir Gudang).

Hassan had expressed regret that the government-owned hotel in Singapore had been sold off by the Pakatan government.

"As a Johorean, I feel a bit sentimental and sad by the Federal Government's move," he said.