

## **Mithril to become construction firm after revamp**

PETALING JAYA: Beleaguered Mithril Bhd is expected to complete its restructuring by the third quarter this year, after which its listing status will be transferred to a new company. The result: Mithril will become a construction counter.

Mithril, a PN17 company, will hold its EGM tomorrow to obtain shareholder approval for the proposed disposal of 29 parcels of commercial office space, and an office building in Sabah for RM43.2mil.

This should be the last leg of an asset disposal process to pull the building materials company out of financial distress, a source said.

Mithril had earlier signed a heads of agreement with the promoters of Pesona Metro Sdn Bhd, Wie Hock Beng and Chak May Teng to regularise the financial condition of the company.

It is understood that Hock Beng is the brother of construction and property firm Putrajaya Perdana Bhd's chief executive officer Wie Hock Kiong. It is also understood that Hock Kiong may join Pesona Metro, but this remains unsubstantiated.

The proposed restructuring scheme includes the acquisition of Mithril's entire equity by a newly-incorporated company (newco) for RM96mil, satisfied by the issuance of 384 million shares in the newco at par of 25 sen per share to the promoters and/or their nominee after a capital reduction and consolidation exercise.

Mithril's listing status on the Main Market will then be transferred to the newco.

Pesona Metro, which proposed to carry out the exercise, reportedly has a construction order book of around RM700mil.

Some of the projects completed by Pesona include the beautification and rehabilitation of Sungai Melaka and a residential condominium project in Jalan Bukit Pantai, Kuala Lumpur.

At the close, Mithril shares ended flat at 8 sen on volume of some 370,000 shares.