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The savvy gambler

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THE second son of Malaysian casino tycoon Lim Goh Tong readily admits that he is a gambler.

'Life is full of gambles but I'm not a hard-core gambler,' quipped Lim Kok Thay (right in the pix), who took over the helm of the Genting group following his father's retirement four years ago. Instead, the social gambler has turned the Malaysian gaming business into a fine art due to his passion for the business.

Kok Thay, 54, is the only child of the patriarch who has remained in the huge group. A relative in the group is Justin Leong, who is the son of Kok Thay's sister Siew Lian. Mr Leong is head of the group's strategic investments and corporate affairs.

Younger brother Chee Wah, who was once the joint managing director of Genting with their father in the early 1990s, is now running Hong Kong-listed property investment and financial services company VXL Capital.

Chee Wah apparently quit Genting due to differences with their father but Kok Thay dismisses the rumour, saying his brother preferred to dabble in other businesses.

Eldest brother Tee Keong quit as Genting director in the late 1990s. He was subsequently embroiled in a messy suit with two partners over personal stock market losses of over RM38 million (S\$16.3 million).

There are also three girls in the family. One of them, Siew Kim, controls listed property company Metroplex, which has been mired in debt since the late 1990s. Genting did not bail out Metroplex despite the family ties.

Genting's success story must be partly attributed to Kok Thay although the empire was founded by his father four decades ago when he clinched a casino licence unexpectedly.

Analysts like the well-run and professionally managed company. The stock has breached RM30 from a low of RM6.40 during the stock market meltdown in 1998.

While Genting has taken correct bets under Kok Thay, his personal bets have been riskier. For example, Kok Thay gave out US\$80 million in personal loans at a high interest rate to the Seneca Indian tribe to build a casino in Niagara Falls and acquired a substantial stake in troubled Malaysian lottery operator Mycom.

But Kok Thay is not taking any unnecessary risk with his listed group or its prized Malaysian casino licence, which has to be renewed quarterly by the Finance Ministry. He refuses to disclose the actual fee for each quarterly renewal of the licence but admits that it is now a 'substantial' amount.

But he does not see it as a hindrance, saying that it helps the group's cashflow to pay the government every three months instead of paying one big lump sum at the end of each year. Nevertheless, he is constantly scouting for fresh businesses to help cut the group's over-dependence on the Malaysian gaming business, which generates two-thirds of its revenue. 'I gamble socially. But I only take calculated risks in business,' Kok Thay adds.