

# Goldis makes offer for IGB shares

The conditional takeover offer is at RM2.88 cash per share

**PETALING JAYA:** Goldis Bhd has launched a conditional takeover offer for IGB Corp Bhd at RM2.88 cash per share.

The offer represented a premium of four sen, or 1.41%, over the last traded price of IGB shares at RM2.84, and a discount of 41 sen, or 12.5%, over the company's net tangible asset per share of RM3.29 as at March 31, 2014.

Trading in the shares of Goldis and IGB will resume on Monday, after a one-day suspension yesterday, pending this "very material announcement".

Goldis shares were last traded at RM2.39, up five sen, while IGB shares ended three sen higher

at a two-year high of RM2.84 on Thursday.

In its announcement to Bursa Malaysia yesterday, Goldis said that it directly owned a 30.66% stake in IGB, while persons acting in concert with it collectively had a 20.49% stake, thus raising the group's shareholding in IGB to 51.15%.

Goldis explained that the rationale for the exercise was to increase its direct stake in IGB to more than 50%.

It said that upon completion of

the proposed offer, Goldis would also be able to increase its consolidated net assets and net profit attributable to the company accordingly, as opposed to the current de facto control by virtue of being the single largest shareholder at 32.19% and its control over the board of IGB Corp.

"The proposed offer provides an opportunity for Goldis to obtain a significant block of IGB shares, by increasing its direct interests to over 50% at a reasonable cost," Goldis said.

Goldis said the offer price was derived based on the market price of IGB shares prior to the date of the takeover notice and IGB's audited consolidated net assets attributable to equity holders of RM4.42bil, or RM3.25 per IGB share at end-December 2013 or a price-to-book ratio of 0.89 times.

Other factors included IGB's audited consolidated earnings before interest, taxation, depreciation and amortisation (EBITDA) of RM604.2mil for financial year ended Dec 31, 2013, which implied an enterprise value to EBITDA ratio

of 7.30 times.

"The consideration for the proposed offer, to be satisfied entirely by Goldis in cash, shall be funded by internally generated funds amounting to about RM59mil and the balance entirely by borrowings," it said.

Goldis said it intended to maintain the listed status of IGB – whose core activities are investment holding and property development – on the Main Market.

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– Goldis Bhd