

# IGB Berhad Disposes Stake In UK Freehold Land For RM500 Million | BusinessToday

Thursday, October 21, 2021

Clipped from: <https://www.businesstoday.com.my/2021/10/21/igb-berhad-disposes-stake-in-uk-freehold-land-for-rm500-million/>





IGB Berhad via its wholly-owned subsidiary Verokey Sdn. Bhd has disposed of its entire 50% equity interest held in Black Pearl Limited, which owns a freehold land title in London to HNG Blackfriars 1 Limited an associate company with Hines a privately owned global real estate, development, and management firm.

The land which is held together with Tower Ray Limited was sold for £208,750,000 which works out to RM1.08 billion will be split equally between both parties. VSB incorporated in 2009 with paid-up capital of RM346,500,002 will be receiving a substantial amount from the sale. Tower Ray in the meantime is a British Virgin Islands offshore company with a share capital of USD1,000.

The sale consideration which will be received by IGB is £104,375,000 or RM500 million approximately, prior to certain deductions of which VSB has already received £60,000,000 in cash at completion and another £44,375,000 24 months after Completion herein Second payment.

The original cost of investment was £5,000 for the 50% equity interests in BPL. As at the latest consolidated audited financial statements of IGB as at 31 December 2020, the carrying amount of VSB's investment in BPL was RM370.0 million which included shareholder's advance to BPL of RM376.5 million

IGB feels the timing is appropriate to realise its investment in the land and for the proceeds to be used for general working capital of the Group including redeploying capital for more yield and value accretive investments.

