

£208.75M DEAL

IGB unit disposes of entire 50pc stake in Black Pearl to HNG

KUALA LUMPUR: Verokey Sdn Bhd, a unit of IGB Bhd, has sold its entire 50 per cent stake in Black Pearl Ltd to HNG Blackfriars 1 Ltd for £104.37 million.

IGB said in a filing with Bursa Malaysia yesterday the company and Tower Ray Ltd, the other shareholder of Black Pearl, had on Wednesday collectively entered into a sale and purchase agreement with HNG for the £208.75 million deal.

Black Pearl owns a freehold land at 18 Blackfriars Road in London.

IGB said Verokey would receive £60 million cash in completion payment, and the balance of £44.37 million (second payment) after 24 months.

"The completion payment is for part of the debt that Black Pearl owed to Verokey. The second payment represents the balance of the debt which Black Pearl owed

to Verokey and the value for Verokey's 50 per cent shareholding in Black Pearl, which has now been undertaken by the HNG and is evidenced by a loan note issued by the buyer that is secured on the property."

IGB said its original cost of investment was £5,000 for the 50 per cent Black Pearl stake.

Based on the latest consolidated audited financial statements of IGB as at Dec 31 last year, the carrying amount of Verokey's investment in Black Pearl stood at RM370 million, which included shareholder's advance to Black Pearl of RM376.5 million.

"The directors consider that the transaction is beneficial to

the IGB group as it represents an opportunity for the group to realise its investment in Black Pearl," it said, adding that the proceeds would be used for general working capital.

INFO BOX

50pc

IGB Bhd's stake in Black Pearl Ltd has an original cost of investment of £5,000

"The transaction will result in an increase in the IGB group's net assets per share and earnings per share of about 21 sen each," it said.

The transaction required no shareholder approval, it

added.

IGB's core business is in retail, commercial, residential, construction and hospitality.

It also has investments in water treatment, information technology and data analytics and education.