

## **FGB Shareholders Agree to RM1.15 billion Acquisition of PROPEL and OGB**

**Bernama**

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KUALA LUMPUR, June 26 (Bernama) -- Shareholders of Faber Group Bhd (FGB) voted at an Extraordinary General Meeting (EGM) today in favour of the RM1.5 billion acquisition of Projek Penyelenggaraan Lebuhraya Bhd (PROPEL) and Opus Group Bhd (OGB) from UEM Group Bhd.

FGB's Executive Director Azmir Merican Azmi Merican said the EGM which was held prior to the Annual General Meeting convened later in the day, also saw the shareholders giving their consent to the RM1.03 billion Asset Management Services (AMS) agreement.

Speaking at a press conference, Azmir said the entire acquisition of PROPEL would be in two parts.

FGB will acquire Propel for RM500 million, to be satisfied via a combination of a cash payment of RM250 million and issuance of 125,000,000 new FGB shares at the issue price of RM2.00 per share.

Of the RM250 million cash payment, he said RM100 million would come from internally generated funds, and the remaining RM150 million via borrowings.

Meanwhile, OGB is to be acquired for RM651 million and be entirely satisfied via the issuance of 325,500,000 new FGB shares at the issue price of RM2.00 per share, said Azmir.

PROPEL is an infrastructure maintenance company with a strong track record and experience in highway maintenance.

OGB on the other hand, is an asset development and asset management provider of transportation infrastructure, as well as built environment with operations in Malaysia and overseas.

"The acquisition is expected to be concluded in October this year. This leaves us with only two months left for the year. Thus, we expect to leverage the benefit from the acquisition only from 2015," Azmir said.

He added that the acquisition will also enable FGB to expand its Asset Facilities Management (AFM) business which is currently focused in the healthcare sector.

It will be transformed into a total asset development and asset management company with expertise in healthcare, infrastructure and the commercial sector.

The AMS agreement was entered into by FGB's wholly-owned subsidiary, Faber Medi-Serve Sdn Bhd (FMS) with Konsortium Prohawk Sdn Bhd.

It is to provide AMS for the Women and Children s Hospital (WACH) worth RM1.03 billion.

Under the agreement, Azmir said the total fees will be accorded to FMS over a 27-year period and only take effect in the second half of 2016.

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