

# Boustead believed to be taking over Pharmaniaga

## Trading in their shares suspended pending announcement

**KUALA LUMPUR:** Speculation is rife that Boustead Holdings Bhd is acquiring Pharmaniaga Bhd following the suspension of trading in the two companies' shares yesterday, pending a material announcement.

However, it is not immediately known if Boustead is acquiring part or the whole of UEM Group Bhd's 87% stake in Pharmaniaga.

Trading in Boustead and Pharmaniaga shares was suspended from 4.56pm yesterday.

Pharmaniaga added nine sen to RM5.10 while Boustead gained four sen to RM3.58 prior to their suspen-

sion.

In a media advisory yesterday, Boustead said it would be signing an agreement with the UEM Group today, involving a major acquisition by the former. It gave no further details.

Last December, UEM Group was given three months to divest its stake to meet listing rules requirement that at least 25% of its shares are held by the public.

The public shareholding spread at the end of last year was 12.98%.

However, at the end of the stipulated three-month period, the

group had still not complied with the public spread required.

It applied for and was given an extension of three months to June 29 by Bursa Malaysia.

As at April 14, Pharmaniaga's public shareholding spread stood at 12.96%.

Earlier, the Employees Provident Fund had denied it was interested in acquiring Pharmaniaga, leaving UEM to look for other avenues to divest its stake.

UEM could privatise Pharmaniaga or if it wants to keep Pharmaniaga listed, it may have to place out the

shares.

For the first quarter ended March 31, Pharmaniaga posted a net profit of RM9.3mil on revenue of RM317.6mil.

Pharmaniaga, the largest integrated local healthcare company, is involved in the manufacture of generic pharmaceuticals, logistics and distribution, sales and marketing, the supply of medical products and services, and hospital equipping.

The pharmaceutical company made its Bursa debut in November 1999.

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