

# Water players told state takeover plan aborted

## Cite disagreement over Selangor's offer by Syabas and PNSB

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KUALA LUMPUR: Gamuda Bhd and Kumpulan Perangsang Selangor Bhd (KPS) have officially been informed of the Selangor government's inability to proceed with its proposed takeover of the state's water assets.

In separate statements released via Bursa Malaysia yesterday, Gamuda and KPS said the state government had informed them on Nov 30 that it could not proceed with the takeover of their respective water assets.

They said the government had informed them that this was due to Syarikat Bekalan Air Selangor Sdn Bhd's (Syabas) and Puncak Niaga

Holdings Bhd's (PNHB) subsidiary Puncak Niaga (M) Sdn Bhd's (PNSB) disagreement with the state's offers to them.

Gamuda owns 40% of Syarikat Pengeluar Air Sungai Selangor Sdn Bhd (Splash), while the state's investment arm Kumpulan Darul Ehsan Bhd (KDEB) and businessman Tan Sri Wan Azmi Wan Hamzah's the Sweet Water Alliance Sdn Bhd hold 30% each.

KPS has a 55% stake in Konsortium Abass Sdn Bhd, while the remaining 45% is controlled by politically connected Operasi Murni Sdn Bhd.

Splash, Abass and PNSB supply treated water to Syabas, which is the sole concessionaire for the distribution of water to Selangor, Kuala Lumpur and Putrajaya.

The Selangor government had under a revised offer in July this year proposed to acquire Splash's

water assets and operations for an estimated gross price of RM2.97 billion comprising the assumption of RM1.39 billion in liabilities and RM1.58 billion in equity.

It had also offered to acquire Abass' assets for RM946 million comprising liabilities of RM779 million and an equity value of RM167 million.

Gamuda and Abass had accepted the state's offers. Both Gamuda and KPS said yesterday the state's offers were now deemed lapsed and of no effect.

While Gamuda and KPS had accepted the offers, PNHB and its 70%-owned Syabas had rejected the state's takeover plan. PNSB operates and manages 29 water treatment plants with a combined capacity of 1.942 billion litres per day.

KPS is a 60% unit of KDEB, and together they control the remaining 30% in Syabas.