

Splash revises takeover offer

KUALA LUMPUR: Syarikat Pengeluar Air Sungai Selangor Sdn Bhd (Splash), a 40% associate company of Gamuda Bhd, has made a revised offer to the Federal Government and Selangor government with regard to the takeover of the water services industry in Selangor.

The revised offer was realigned to respond to the Federal Government's view that Splash's earlier offer of March 24, was not in line with the Government's policy that operators should be "asset light".

The company said the realigned offer would meet the spirit of the Water Services Industry Act, 2006 (WSIA), and the Federal Government's "asset light" policy, Gamuda said in a filing with Bursa Malaysia yesterday.

Meanwhile, the water assets in Selangor are parked under concessionaires Puncak Niaga (M) Sdn Bhd and Syarikat Bekalan Air Selangor Sdn Bhd (Syabas), both which are controlled by Puncak Niaga Holdings Bhd, as well as SPLASH and Konsortium Abass Sdn Bhd.

The statement said Pengurusan Aset Air Bhd (PAAB) which is wholly-owned by Minister of Finance Inc, had made an estimated aggregate offer of RM8.18bil to all the water players in the Selangor state last month.

In the realigned offer, Splash has offered to "top up" PAAB's offer to RM10.75bil to all the water operators in the Selangor state, that is, an additional offer of RM2.57bil or a top up of 24%.

The statement said PAAB would own and carry all the water assets on their books and lease the assets to Splash to enable the latter to operate as the operation and maintenance operator under a 30-year concession/licence.

Splash will pay PAAB lease rentals of 6% per year with an annual escalation of 2.5%, the same rate as charged by PAAB to the operating entities in other states.

Apart from the realignment, all the terms and conditions of Splash's earlier offer remain the same and unchanged, including the benefit of low consumer tariffs. — Bernama