

DATE	19/1/2015	PAGE	4
DAY	MONDAY	SECTION	HOME BUSINESS

COMPANIES IN THE NEWS

Integrax major shareholder declines TNB's takeover offer

BY CHESTER TAY

KUALA LUMPUR: Based on corporate announcements and news flow last Friday, the companies that may be in focus today could be: Integrax Bhd, Tenaga Nasional Bhd (TNB), Damansara Realty Bhd, Uzma Bhd, MMC Corp Bhd, Amalgamated Industrial Steel Bhd (AISB), and Destini Bhd.

Port operator Integrax (fundamental: 1.65; valuation: 0.6)'s co-founder and major shareholder Amin Halim Rasip has declined TNB (fundamental: 1.3; valuation: 1.0)'s conditional voluntary takeover offer at RM2.75 per share.

Amin, who owns a 22.81% stake in Integrax, said the offer was not fair or reasonable, due to the strong potential of the group's Lekir Bulk Terminal in Perak. He also urged minority shareholders "to hold out for much higher price, and derive significant value and more shareholder benefits for the long term".

Damansara Realty (fundamental: 0.95) has established a joint venture (JV) with Papua New Guinea (PNG)-based Pacific Asia (PNG) Ltd (PAL), to conduct hospital management and consultancy services there.

The JV entity is known as Healthcare Technical Services (PNG) Ltd, in which PAL owns 55%, whilst Damansara Realty owns the remaining 45%.

Uzma (fundamental: 1.7; valuation: 1.8) has bagged a RM50 million contract from Petronas Cari-gali Sdn Bhd to provide through tubing downhole tools and services. The contract spans two years until Dec 31, 2016, with a one-year extension option.

Uzma acknowledged risks attached to the deal, namely low oil prices, saying the project could become "sub-economic" if prices dipped below the range of US\$25 (RM88.75) to US\$30 per barrel.

Diversified group MMC Corp (fundamental 0.85, valuation 2.40) said its energy unit Malakoff Corp Bhd has obtained the "Syariah-compliant" classification from the Shariah Advisory Council of the Securities Commission.

MMC said the syariah-compliant classification was given based on the latest audited financial statements of Malakoff for the financial year ended Dec 31, 2013, and remains valid until the next review, which will be based on financial data a year later.

MMC is in the process of preparing for Malakoff's initial public offering on the local bourse.

Steel pipe manufacturer AISB (fundamental: 0.35; valuation: 1.2) will enter into property development to diversify its revenue stream.

It plans to undertake development and construction of industrial buildings in Shah Alam. AISB said the gross development cost and value are about RM146 million and RM161 million respectively.

Merrill Lynch International has emerged as a substantial shareholder of Destini (fundamental 1.4; valuation 1.8).

According to a filing with Bursa Malaysia, Merrill Lynch had last Thursday acquired 40.24 million shares or a 5.03% stake in Destini. The next day, the investment bank bought another 523,000 shares, bringing its stake to 5.1% or a total of 40.76 million shares.

The Edge Research's fundamental score reflects a company's profitability and balance sheet strength, calculated based on historical numbers. The valuation score determines if a stock is attractively valued or not, also based on historical numbers. A score of 3 suggests strong fundamentals and attractive valuations. Go to www.theedgemarkets.com for more details on a company's financial dashboard.