

Steinhoff's buyout offer for JD Group

Diversified retailer Steinhoff (SHF) on Tuesday, 18 March 2014, announced plans to increase its stake in its subsidiary JD Group to 98% from 56.8% to help the furniture retailer overcome operational challenges facing its business.

The transaction will be settled by the issue to JD group shareholders accepting the offer of one listed ordinary share in Steinhoff for every 1.9 JD group shares.

This is equivalent to an offer price of R27.77 per JD Group share at Steinhoff's five-day volume weighted average price of R52.77 on 17 March 2014, which represents a 38.1% premium to JD Group's five-day volume weighted average price of R20.11 on this date.

The tender offer opened for acceptance at 9am today, 19 March 2014.

For more, visit: <https://www.bizcommunity.com>