

May 12, 2016 | Written by Gho Chee Yuan |



This article first appeared in *The Edge Financial Daily*, on May 12, 2016.

KUALA LUMPUR: PRG Holdings Bhd is proposing a one-into-two share split to reward shareholders and enhance the stock's marketability and trading liquidity.

In a bourse filing yesterday, PRG said the share split involves the subdivision of every one existing share into two split shares. The entitlement date has yet to be fixed.

To date, PRG's issued and paid-up share capital stands at RM74.02 million comprising 148.05 million shares (including 208,900 treasury shares) and 51.33 million outstanding warrants 2014/2019.

Each outstanding warrant is exercisable into one new PRG share at the exercise price of 75 sen apiece.

PRG is involved in the manufacturing, property development and construction businesses. To facilitate the corporate exercise, the company also proposes to amend its memorandum of association.

The amendment will see its share capital of RM1 billion, presently divided into two billion shares of 50 sen each, becoming RM1 billion, divided into four billion shares of 25 sen each.

It will result in an adjustment to the market price of PRG shares, making the shares more affordable, which will appeal to a wider group of public shareholders and/or investors to participate in the growth of the company, PRG said.

PRG group managing director Datuk Lua Choon Hann said in a statement the exercise is not only intended to reward existing shareholders, but also to attract and establish a larger retail and institutional investor base in the company over the long term.

Shares in PRG closed unchanged at RM1.13 yesterday, valuing it at RM167.29 million.