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# Cityneon independent directors advise shareholders to reject Lucrum's 90 cents offer

By: PC Lee

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SINGAPORE (Aug 10): The independent directors of Cityneon Holdings are

recommending shareholders reject the mandatory unconditional cash offer from Lucrum 1 Investment.

[See: Cityneon receives 90 cents per share pre-conditional offer from Lucrum 1](#)

[See: Cityneon set to shine brighter with new investors and full control for CEO Ron Tan](#)

The recommendation was in line with the advice given by RHT Capital, Independent Financial Advisor to the independent directors, which mentioned that the financial terms are "not fair and not reasonable".

"Having regard to the considerations set out above and the information available to us as at the Latest Practicable Date, we are of the opinion that, on balance, the financial terms of the Offer are not fair and not reasonable. Accordingly, we advise the Independent Directors to recommend that Shareholders REJECT the Offer. If Shareholders wish to realise their investments in the Company, they can choose to sell their Shares in the open market if they obtain a price higher than the Offer Price (after deducting transaction costs)," says RHT Capital.

Offeror Lucrum 1 Investment is a consortium led by Ron Tan, Executive Director and Group CEO of Cityneon.

Lucrum 1 Investment had in July said it has no intention to revise the offer price when it offered to buy shares of Cityneon, other than those already owned, at 90 cents apiece. In an announcement this morning, Cityneon says the mandatory takeover was triggered after Lucrum 1 Investment bought a 52.51% stake in Cityneon.

Lucrum 1 Investments now owns 69% of Cityneon and is the group's largest shareholder. This will allow Tan to more effectively influence the strategy, expansion and future direction of the company.

As at 12.19pm, shares in Cityneon are up 1 cent at 96 cents.