

JD Group share spikes after Steinhoff offer

Steinhoff International Holdings has made a firm offer to acquire shares it does not already own in JD Group in a deal that will see the furniture retailer delist from the JSE, the two companies announced in a joint statement.



© Rajesh Rajendran Nair – [123RF.com](https://www.123RF.com)

After the announcement near 1pm on Tuesday, 21 April 2015, JD Group shares surged around 17.50% to R32.90.

Steinhoff already owns about 86.78% of JD Group.

Subject to the fulfilment of certain conditions, Steinhoff's proposed offer stands at R34.00 per remaining share, translating to a maximum aggregate consideration of R1.19 billion.

This offer price represents premiums of 35.44% to the volume weighted average price of JD Group ordinary shares traded on the JSE over the 30 business days up to and including Monday.

"The board of directors of both Steinhoff and JD Group herewith announce that Steinhoff has made an offer to acquire the entire issued ordinary share capital of JD Group (excluding treasury shares) not already owned by Steinhoff," Steinhoff and JD Group said.

Alternatively, if the deal was not approved by the requisite majority of the remaining shareholders, Steinhoff intended to extend a substitute offer to the remaining shareholders, they said.

If the deal is successful, JD Group will be de-listed from the JSE.