

KrisAssets to sell assets worth RM4.6b

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IGB Corporation Bhd's unit, KrisAssets Holdings Bhd, has announced the proposed disposal by the wholly-owned subsidiaries of KrisAssets of Mid Valley Megamall, Mid Valley Megamall Related Assets, The Gardens Mall and The Gardens Related Assets, for a total disposal consideration of RM4,612.6 million.

It is to be satisfied via the proposed issuance of 3,400 million units in IGB REIT and the balance in cash, KrisAssets said in its filing to Bursa today.

It was reported earlier that KrisAssets has proposed to establish a real estate investment trust (REIT) comprising two shopping malls, The Gardens Mall and Mid Valley Megamall, which will be listed on Bursa.

KrisAssets also announced an offer for sale by Mid Valley City Gardens Sdn Bhd of 670 million Consideration Units, via an initial public offering pursuant to the Proposed Listing (Proposed Offer for Sale).

There will also be a proposed distribution by KrisAssets of 2,730 million Consideration Units and the remaining cash proceeds from the Proposed Disposal and the Proposed Offer for Sale to the entitled shareholders of KrisAssets at an entitlement date to be determined and announced later.

KrisAssets also announced proposed amendments involving the amendments to the Memorandum and Articles of Association of KrisAssets to alter the par value of the ordinary shares in KrisAssets from RM1.00 to RM0.02 to facilitate the Proposed Capital Reduction and Repayment.

Following the completion of the Proposed Disposal, KrisAssets will be a company without any business or operations.

In the event the Proposed Distribution is not carried out after the Proposed Disposal, KrisAssets will have no assets other than the Total Disposal Consideration which is in the form of Distribution Units and cash.

In this regard, Bursa Securities may classify KrisAssets as a "Cash Company". Bursa Securities may also classify KrisAssets as a "PN17 Company" upon completion of the Proposed Disposal as KrisAssets will be deemed to have triggered the following prescribed criteria, under Practice Note 17 of the Listing Requirements (PN17). -- Bernama

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