



IGB Commercial REIT opens IPO application, says Bursa listing on July 30

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KUALA LUMPUR (June 10): IGB Commercial Real Estate Investment Trust (IGB Commercial REIT) said today its initial public offering (IPO) will involve the listing of 2.31 billion units on Bursa Malaysia's Main Market under a corporate exercise which comprises a restricted offering of up to 945 million units and an institutional offering of at least 282 million units in the property trust.

In filings with Bursa today, IGB Commercial REIT said the property trust's tentative listing date is on July 30, 2021.

IGB Commercial REIT, which opened its IPO application today, said "applications will be accepted from 10am on June 10, 2021 and will close at 5pm on July 6, 2021".

"All defined terms used herein [in the Bursa filing] shall have the same meanings as those defined in the prospectus issued by IGB Commercial REIT dated June 10, 2021.

"For the avoidance of doubt, there is no balloting of applications," IGB Commercial REIT said.

IGB Commercial REIT said the restricted offering of up to 945 million units comprises a restricted offer for sale of up to 378 million units at RM1 each to IGB Bhd shareholders on the basis of two restricted offer-for-sale units for every five IGB Bhd shares held besides a distribution-in-specie of up to 567 million units in IGB Commercial REIT on the basis of three distribution-in-specie units for every two restricted offer-for-sale units subscribed.

According to IGB Commercial REIT, the institutional offering of at least 282 million units comprises an offer for sale of 282 million units in the property trust by certain IGB Bhd shareholders besides an offer for sale of unsubscribed restricted offer-for-sale units and the corresponding distribution-in-specie units to institutional investors and selected investors at a price to be determined by book-building.

In a separate statement today, IGB Commercial REIT said that upon listing, the property trust is expected to have a market capitalisation of RM2.31 billion based on the price of the restricted offer-for-sale units at RM1 each.

IGB Commercial REIT claims that the property trust will be the sixth largest Malaysian REIT and the largest stand-alone office REIT by market capitalisation, net lettable area and appraised value.

The sponsor and manager of IGB Commercial REIT are IGB Bhd and IGB REIT Management Sdn Bhd respectively, according to the statement.

"The sponsor and manager have extensive experience in real estate asset management and proven track records in managing and growing listed property funds, i.e. IGB REIT. Under the stewardship of both the sponsor and the manager, IGB REIT has demonstrated growth since its establishment, solely via organic growth.

"The sponsor will hold substantial ownership of at least 50% of IGB Commercial REIT, immediately following the completion of the offering, making it the largest unitholder. Accordingly, the interest of the sponsor will then be aligned with other unitholders," IGB Commercial REIT said.

IGB REIT Management deputy chief executive officer (CEO) Wong Khim Chon said in the statement that the property trust manager believes that the large size and corresponding free-float of IGB Commercial REIT can enhance the visibility of the REIT among the local and international investment communities.

"We believe that IGB Commercial REIT will be able to leverage IGB Bhd's track record in developing and operating commercial properties in addition to its financial strength, market reach and network of contacts to further IGB Commercial REIT's growth," Wong said.

On April 9, 2021, IGB Bhd said in a Bursa filing that vendors, including IGB Bhd subsidiaries, on that day entered into 10 sale and purchase agreements (SPAs) with MTrustee Bhd for the proposed disposals of 10 properties to IGB Commercial REIT for RM3.16 billion.

The properties are Menara IGB and IGB Annexe, Centrepont South, Centrepont North, Boulevard Properties, Gardens South Tower, Gardens North Tower, Southpoint Properties, Menara Tan & Tan, GTower and Hampshire Place Office, according to IGB Bhd.