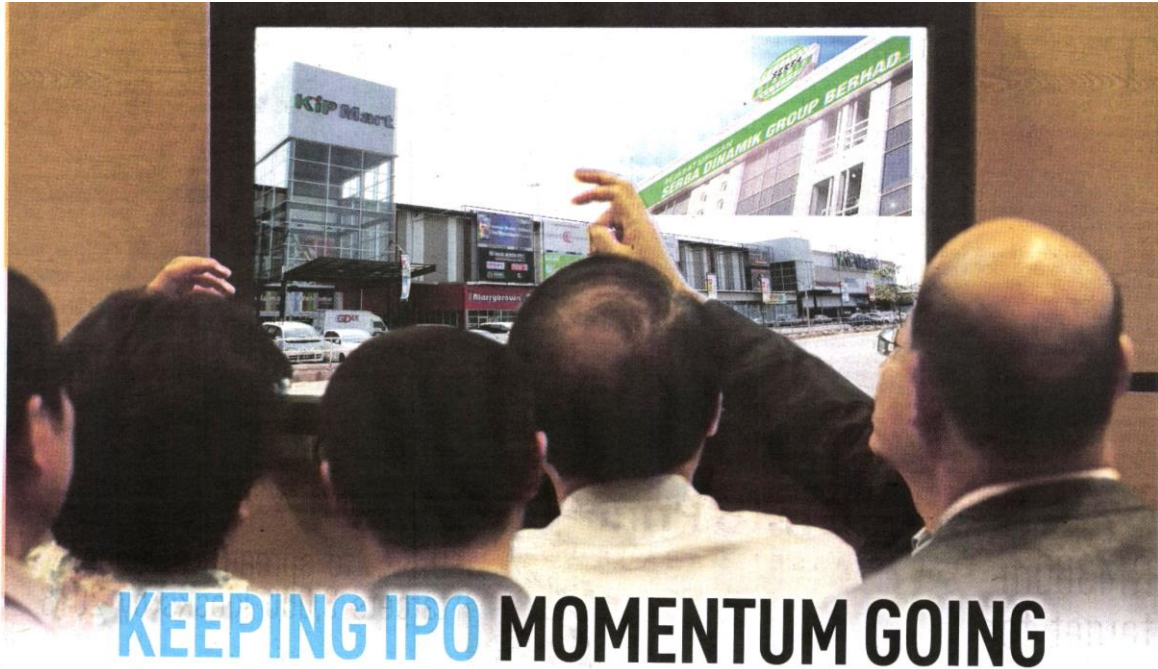


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THE listing of KIP Real Estate Investment Trust and Serba Dinamik Holdings Bhd this week are expected to add excitement to the local bourse.

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INITIAL PUBLIC OFFERINGS

# KIP REIT, SERBA DINAMIK EXCITE MART

The 2 new listings show there is ample liquidity, says Bursa chief

LIDIANA ROSLI  
KUALA LUMPUR  
lidiana@mediaprima.com.my

**T**WO new listings this week — KIP Real Estate Investment Trust and Serba Dinamik Holdings Bhd — will add excitement to the local bourse and keep the healthy momentum of companies raising capital from the stock market going.

There were also two initial public offerings (IPOs) last month — glove-making lines manufacturer HLT Global Bhd and plantation firm Matang Bhd — on the ACE Market.

KIP REIT and Serba Dinamik, with issue prices of RM1 and RM1.50, respectively, will be listed on Bursa Malaysia's Main Market.

They will raise up to RM234 million and RM600 million, respectively.

KIP REIT is making its debut today while Serba Dinamik, the country's biggest listing in 19 months, will do so on Wednesday.

An industry observer said the listings were timely as foreign and domestic investors were returning to the capital markets following reports

of improved economic conditions.

"If you study the local bourse, there were a steady decline in IPOs year-on-year in the last four years. But that would most likely change as sentiments about the economy are changing.

"Bank Negara Malaysia projects the economy would most likely grow up to five per cent this year, from an estimated 4.5 per cent last year. Price of oil is also on an uptrend and as the United States contracts further, there will be further opportunities for the local market to continue growing," said the observer.

KIP REIT plans to use part of its IPO proceeds to acquire five KIP Marts and a neighbourhood centre in growing local catchment townships.

"It is evident that our focus towards hybrid community-centric retail centres that cater to communities' need for fresh produce and daily essentials, coupled with our diversified tenant base and strategic geographical locations in growing catchment areas are what makes KIP REIT attractive," said its chief executive officer (CEO) Lim Han Gie in a statement.

RHB Research and PublicInvest Research have given fair value of RM1.07 and RM1.09, respectively.

Serba Dinamik's IPO aims to raise proceeds of RM407.1 million in gross proceeds, of which 73.89 per cent will be used on business expansion and the group's operational facilities, 72 per cent on working capital, and 14.74 per cent for repayment of bank borrowings/financing.

Serba Dinamik shares have been given a fair value ranging from RM1.80 (Mercury Securities), RM2.05 (RHB Research and PublicInvest Research), to RM2.13 (AffinHwang Capital).

In a statement, Serba Dinamik's group managing director and CEO Datuk Mohd Abdul Karim Abdullah said the company had embarked on its asset-ownership business model with its first compressed natural gas plant located in Muaro Jambi in Sumatra, Indonesia.

The group has two ongoing memorandums of understanding for the partnership agreement to develop small gas power plants and water utilities in East Kalimantan with the local government district development body.



KIP REIT and Serba Dinamik, with issue prices of RM1 and RM1.50, respectively, will be listed on Bursa Malaysia's Main Market and raise up to RM234 million and RM600 million each. PIC BY ASYRAF HAMZAH

Last month, Securities Commission Malaysia (SC) chairman Tan Sri Ranjit Ajit Singh said he expected RM7 billion worth of IPOs to be raised this year.

Last week, Bursa Malaysia Bhd chief executive officer Datuk Seri

Tajuddin Atan said he was hopeful of more IPOs this year as there is ample liquidity in the local bourse.

There were no new listings in the first quarter of last year, and with four IPOs so far this year, the numbers "are stacking up", he said.