

## Number of M'sia firms announce plans for mega IPO

By Thomas Cho | Posted: 20 August 2012 2157 hrs

SINGAPORE: A number of Malaysia firms have announced plans for mega initial public offerings.

These mega listings may well help Bursa Malaysia cement its position as Asia's top IPO destination this year.

Despite having less listings in the first half of 2012, Bursa Malaysia saw a total of US\$3.5 billion raised, some three times more than the US\$863 million raised in the same period last year.

After hosting two of the world's biggest listings this year, Felda Global Venture Holdings and the Integrated Healthcare Holdings, the Malaysian bourse looks set to see more billion dollar IPOs debut this year.

State investment company, 1Malaysia Development is exploring plans to list its power assets.

While, Malakoff - Malaysia's largest independent power producer could be seeking an IPO as well.

The owner of Kuala Lumpur's iconic Petronas Twin towers KLCC Property Holdings, is also in talks to list their some of its prized assets via a real estate investment trust.

Associate Professor of Finance from Singapore Management University, Annie Koh, said: "Asia has quite a lot of self contained consumption investment drivers and I think from a financial point of view, the Bursa is in a prime position right now to say why don't you let us have some of our jewels to be listed. Therefore, it is a great opportunity for Malaysia to brand itself. It is a great opportunity for Malaysia to say look we carried some of the big IPOs in the downtime and this could be the place for you to consider listing your company."

Year-to-date, Kuala Lumpur has already overtaken other traditional IPO capitals such as Singapore and Hong Kong in terms of funds raised.

Experts said Malaysia's equity market has been well insulated from the global slowdown, given strong support by local investors and a large domestic pension fund.

Vice President of Business & Financial Services at Frost & Sullivan Sanjay Singh said: "It's a bit of defensive as well potential for growth, so it does have the potential for growth for cornerstone investors because they are making dairly large bets."

Still, investors may now be spoilt for choice.

Senior investment manager at Aberdeen Asset Management Christopher Wong said: "There is an element of indigestion and I guess to a certain extent you are going to be very selective in terms on which IPOs you want to participate in."



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Experts said Malaysia's sovereign wealth fund Khazanah also plays a significant role in nurturing some of its investments to be ready for listing, many of which include prized infrastructure assets involving national interest.

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