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KUALA LUMPUR: Siab Holdings Bhd announced that the public portion of its initial public offering (IPO) has been oversubscribed by 50.18 times.

In a statement, the building construction services provider said a total of 15,288 applications for 1.25 billion new shares valued at RM375.89 million were received for the 24.48 million new shares made available for the Malaysian public under the IPO.

"For the Bumiputera portion, 9,829 applications for 557.35 million new shares were received, representing an oversubscription rate of 44.53 times.

"For the public portion, 5,459 applications for 695.61 million new shares were received, which represents an oversubscription rate of 55.83 times," it said.

Siab Holdings group

managing director Ng Wai Hoe said the public has noticed the group's presence which is well reflected in the oversubscription rate.

"Looking ahead, we envision ourselves to become a stronger and more formidable company as compared to where we are today," he said.

Siab Holdings targets to list on the ACE Market of Bursa Malaysia Securities Bhd on Feb 28, 2022.

Its IPO involves a public issue of 122.41 million new shares and an offer for sale of 48.96 million existing shares.

The 12.24 million new shares made available for application by eligible directors, employees and persons who have contributed to the success of the group have been fully subscribed.

Another 134.65 million

shares available for application by way of private placement have also been fully placed out.

Siab Holdings plans to raise RM36.72 million from the IPO, which will be used to enhance the group's machinery and equipment to support business expansion into higher value projects which will in turn enhance shareholders' value.

"The group also intends to utilise part of the proceeds to construct a storage facility to offset its rental cost, implement building information modelling (BIM) system to improve its design and build services, upgrade and integrate back office software and systems to streamline and centralise back office operation, as well as office expansion to cater for additional work force," it said. — Bernama