

Ace Market Bound Siab Holdings IPO Oversubscribed 50.18 Times

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From left to right: Meryl Lim Mei Hwee (Executive Director, Siab Holdings Berhad); Tan Sri Dato' Sri Mohamad Fuzi Bin Harun (Independent Non-Executive Chairman, Siab Holdings Berhad); Ng Wai Hoe (Managing Director, Siab Holdings Berhad); Datuk Bill Tan Choon Peow (Managing Director, Corporate Finance of M&A Securities); Cheryl Tan Sok Moi (Executive Director, Siab Holdings Berhad)

Siab Holdings Berhad public portion of its initial public offering has been oversubscribed by 50.18 times announcing that it had received a total of 15,288 applications seeking 1,252,952,900 new shares, with a value of RM375.89 million, for the 24.48 million new shares made available.

According to a press statement, the Ace Market bound Siab, said the Bumiputera portion received 9,829 applications for 557,345,900 new shares, representing an oversubscription rate of 44.53 times. For the public portion, a total of 5,459 applications for 695,607,000 new shares were received, which represents an oversubscription rate of 55.83 times. 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's IPO which is targeted listing on 28 February 2022 involves a public issue of 122.41 million new shares and an offer for sale of 48.96 million existing shares.

The group aims to raise RM36.72 million from the IPO, which will provide it with the flexibility to support future endeavours. Part of the proceeds will be used to enhance the Group’s machinery and equipment to support business expansion into higher-value projects. It also intends to utilise part of the proceeds to construct a storage facility to offset its rental cost, implement a building information modeling (“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 the additional workforce.

Group Managing Director Ng Wai Hoe commented, “I am delighted by the sheer overwhelming support coming from the general public. I believe our dynamic management team, paired with the Group’s strong track record, is what sets us apart from the others.”

M & A Securities Sdn Bhd Managing Director of corporate finance Datuk Bill Tan said, “We are pleased to see such a strong demand for the construction company’s shares despite the headwinds from the pandemic. We strongly believe that Siab will be well-positioned to capitalise on future opportunities with its new listing status.

M&A Securities Sdn Bhd is the Principal Adviser, Sponsor, Underwriter and Placement Agent for this listing exercise.

Editor