


Pavilion REIT to raise RM720mil from private placement

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KUALA LUMPUR: Pavilion Real Estate Investment Trust  (Pavilion REIT) said it has fixed the issue price of the first tranche of its private placement exercise at RM1.22 per unit to raise approximately RM720 million.

In a statement today, Pavilion REIT said that it is the largest private placement ever recorded for Malaysian REITs (M-REITs).

"The issue price represents a discount of approximately 6.6 per cent to the five-day volume weighted average market price of the units up to and including May 16, 2023 of RM1.31," the statement said.

"Compared to recent book-building exercises, such a discount demonstrates a strong value proposition for investors," it said.

Pavilion REIT Management Sdn Bhd chief executive officer Datuk Philip Ho said that the company is thrilled about the placement's oversubscription, expected to complete on June 1, 2023.

"This is the largest private placement ever recorded for M-REITs. This significant achievement paves the way for an exciting new chapter for Pavilion REIT and the M-REITs industry," he said.

Pavilion REIT Management Sdn Bhd is the manager of Pavilion REIT.

CIMB Investment Bank Bhd, Credit Suisse Securities (Malaysia) Sdn Bhd, Credit Suisse (Singapore) Ltd and Maybank Investment Bank Bhd were joint global co-ordinators and joint book-runners.

AmInvestment Bank Bhd, Kenanga Investment Bank Bhd  and RHB Investment Bank Bhd were joint book-runners for the placement.

The counter closed at RM1.29, giving the company a market capitalisation of RM3.95 billion. - Bernama