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KPJ to inject more hospitals into Al-Aqar REIT

KPJ Healthcare Bhd plans to increase the size of its Al-Aqar-KPJ Real Estate Investment Trust (REIT) with the addition of more hospitals, its chairman Tan Sri Muhammad Ali Hashim said.

The hospital group owns 15 hospitals in the country of which six were included in the REIT.

KPJ Healthcare was looking to increase the size of the REIT with the inclusion of more hospitals, he said yesterday after the listing of the Al-Aqar KPJ REIT.

Muhammad Ali added the group would look into acquiring more hospitals in Malaysia whenever there was an opportunity to do so. However, this would be done on a joint venture with the property developer, he added.

He said the REIT market in Malaysia had yet to make an impact and all the players had to introduce new features to boost interest.

He said government incentives in the form of tax breaks would benefit the REIT market and make it more competitive with other markets in the region.

The REIT closed at 98.5 sen, or 3.5 sen above its offer price of 95 sen to retail investors. There were 16 million units done at prices ranging from 92 sen to 99.5 sen.

Its public issue comprised 180 million units, including 15 million units offered to the public. Another 165 million units were placed out to institutional investors at RM1 per unit.

Of the 15 million offered to the public, there were 9,941 applications for 76.94 million units valued at RM73.09 million. This represented an overall oversubscription rate of 4.13 times.