

TOP GLOVE UNIT TO RAISE RM1.3B FROM PERPETUAL SUKUK ISSUANCE

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TG Excellence Bhd, a wholly-owned subsidiary of Top Glove Corporation Bhd, will raise RM1.3 billion from its perpetual sukuk issuance. — Picture courtesy of Top Glove Corporation

KUALA LUMPUR, Feb 20: TG Excellence Bhd, a wholly-owned subsidiary of Top Glove Corporation Bhd, will raise RM1.3 billion from its perpetual sukuk issuance, after having successfully priced its maiden sukuk transaction.

In a statement today, Top Glove said the proceeds from the issuance would be used to pare down the company's borrowings and would also be earmarked for capital expenditure, working capital and general corporate purposes.

The perpetual sukuk, rated AA- by Malaysian Rating Corporation Bhd, has no legal maturity date and the company has the option to redeem the perpetual sukuk five years from the issue date, or on every six months

interval thereafter.

“The initial yield on the perpetual sukuk was priced at 3.95 per cent per annum, which represents the lowest yield ever achieved for a corporate perpetual transaction in the Malaysian market,” it said.

The perpetual sukuk attracted an order book of more than RM7 billion at the final price, with participation coming from a diversified investor base, including asset managers, insurance companies, private banking, corporates, and financial institutions.

The perpetual sukuk is scheduled to be issued on February 27. —
Bernama