

1MDB shortlists 12 companies in Bandar Malaysia project bid
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A total of 12 companies have submitted proposals to participate in 1Malaysia Development Berhad's (1MDB) Bandar Malaysia property development project at the close of bidding on August 28, the fund's adviser on the project said today.

"The 12 final stage bidders comprise of domestic private developers, government-linked companies and foreign parties, who are submitting the proposals independently or as a consortium," Kuala Lumpur-based CH Williams Talhar and Wong (WTW), which is advising 1MDB on the project, said in a statement.

"We have received highly competitive responses above and beyond our expectations," said Danny Yeo, WTW's deputy managing director.

WTW said it will now review the proposals and will then make recommendations to the fund's subsidiary, 1MDB Real Estate (1MDBRE), which will later shortlist the final bidders before entering into financial and share sale agreement negotiations.

1MDB, said the statement, was "encouraged" by the high quality of bids received, and is confident in the success of the process.

"It is our plan to shortlist selected final bidders, enter detailed negotiations and execute a binding transaction by the end of 2015," said 1MDBRE chief executive officer Datuk Azmar Talib.

He said 1MDB's board of directors will decide based on value maximisation to the company's shareholders, deal certainty, and terms that are "fair and reasonable".

WTW had said in July that 1MDB had received expressions of interest from 40 potential investors in the Bandar Malaysia project.

Apart from Malaysia, interested investors are also from Singapore, China, Japan, Korea and Australia, it said.

The bidders, WTW said, received an Investment Memorandum that outlined Bandar Malaysia's development vision and its proposed master plan.

"To progress to this final selection stage, these companies had to showcase their track record, branding and financial capabilities to be a development partner for Bandar Malaysia."

The commercialisation of Bandar Malaysia is part of a rationalisation plan for 1MDB that was presented to the Cabinet on May 29.

The 200ha commercial and residential development in Kuala Lumpur is one of the two

turnkey projects in 1MDB's efforts to reduce its US\$11 billion (RM42 billion) debt mountain that is being examined by Malaysian authorities investigating accusations of financial mismanagement and graft. – September 1, 2015.

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