

QI Group launches RM100mil sukuk with Bank Pembangunan as main subscriber

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KUALA LUMPUR: QI Group, a multinational conglomerate, has launched a RM100 million Sukuk Ijarah programme, with Bank Pembangunan Malaysia Bhd (BPMB) being the primary subscriber.

The sukuk is issued via Silver Formula ABS Bhd (SFAB), a special purpose company established to undertake the transaction.

QI Group said proceeds from the issuance will be used for the acquisition of land and construction of a 4.04 hectare Quest International University campus in Ipoh, Perak.

"The initiative underscores QI Group's dedication to growing and expanding, with a primary focus on investing in the development of Quest International University's tertiary education business," it said

The upcoming campus will feature modern facilities to enhance the learning environment for students.

QI Group executive chairman Datuk Seri Vijay Eswaran said the construction of the new university is expected to commence in the second half of next year and will take three years to complete.

He added that the estimated construction cost of the university is between RM120 million and RM150 million.

"The issuance of this sukuk serves as initial financing for the construction of the university. Further financing will be arranged in the future," he said at a press conference following the signing ceremony of the sukuk subscription between BPMB and QI Group today.

Eswaran noted that the joint sukuk initiative brings Quest International University closer to achieving its long-term vision of providing affordable, high-quality education to communities in northern Malaysia.

He said with the capital injection from the sukuk, the university is well-prepared to meet the growing demand for education and play a significant role in enhancing the educational landscape in the region.

BPMB group chief executive officer Roni Abdulwahab said the bank ensures all its financing delivers social, economic and environmental impact through its Measuring Impact on National Development (MIND) framework.

He said MIND complements the bank's credit assessment.

The development of the Ipoh campus provides an opportunity to promote meaningful development that will increase accessibility to higher education to all levels of society including the lower income group.

"Through the university, we fulfil our mission of providing equal opportunities for students, while also generating meaningful employment prospects within the Gunung Lang region.

"This initiative serves to narrow the differences in development between different regions of the state.

"Most importantly, it could be the spark that ignites economic progress in Gunung Lang, extending beyond just tourism," he added.