
MEDIA CLIPPING

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Hock Heng To Raise RM8.4 Million From IPO

KUALA LUMPUR, Feb 9 (Bernama) -- Dimension stones manufacturer, Hock Heng Stone Industries Bhd, hopes to raise RM8.4 million from its initial public offer (IPO), Chairman and Managing Director Low Kim Hock said.

The company, which is enroute for a Main Board listing end-March, would set aside RM4 million from the proceeds for capital expenditure and RM2.12 million for quarry operations.

"Some RM800, 000 will be used to fund our new RM5.7 million office-cum-secondary processing plant in Subang," he said, adding that the balance would be funded by internally generated funds and borrowings.

The plant would be ready in the third-quarter of this year, Low told reporters at an underwriting signing agreement between Hock Heng and Public Investment Bank here Tuesday.

The company also owns a manufacturing plant in Melaka and a processing plant each in Pahang and Johor.

"Moving forward, we aim to further strengthen our delivery infrastructure in Peninsular Malaysia by setting up more sales office and secondary processing plants.

"Not only that, we are also planning to set up a sales office and warehouse in the northern region in light of growing development," he added.

Hock Heng is offering 15.3 million new ordinary shares at 55 sen each, out of which six million would be offered for public subscription, 7.3 million for private placement and RM2 million for eligible directors, employees and business associates.

Public Investment Bank is the adviser, underwriter and sole placement agent for the IPO while Mercury Securities Sdn Bhd and JF Apex Securities Bhd are the co-underwriters.

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