

Company Name : PRG Holdings Berhad
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PRG Unit Furniweb's Listing In HK Set For Mid-October

PETALING JAYA: PRG Holdings Bhd's proposed listing of manufacturing arm Furniweb Holdings Ltd on the Growth Enterprise Market of the Hong Kong Stock Exchange is expected to take place in mid-October.

According to a circular released yesterday, the group said an EGM will be held on July 21 to seek shareholders' approval for the listing.

PRG said the listing will result in a dilution of its shareholding in Furniweb from 100% to a maximum of 72.3%.

Furniweb will initially offer up to 126 million shares for subscription by way of public offer and placement to the public and selected professional, institutional or other investors in Hong Kong respectively, representing in aggregate 25% of its enlarged share capital.

Proceeds raised will accrue entirely to Furniweb and to be utilised for any future expansion of business and working capital for the manufacturing and manufacturing-related businesses.

PRG said it will maintain Furniweb as its subsidiary after the listing and currently has no intention to dispose of any Furniweb shares before or after the listing.

Furniweb registered a net profit of RM6.67 million for the financial year ended Dec 31, 2016 on the back of RM97.94 million in revenue.

PRG said the listing will provide access to additional source of funding to capitalise on growth opportunities for the capital-intensive manufacturing business in Malaysia and Vietnam.

PRG noted that the Hong Kong stock exchange is a leading sizeable capital market with reasonable price to earnings ratio and has a good reputation of market integrity and governance with efficient and transparent processes.

It will also enhance Furniweb's capital base and financial position for a sustainable development of the manufacturing business.

PRG shares rose one sen to close at RM1.02 yesterday, on some 99,500 shares traded, giving it a market capitalisation of RM304.53 million.