

**MEDIA CLIPPING**

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## Heng Huat flotation to raise RM21mil

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**GEORGE TOWN:** Heng Huat Resources Group Bhd, scheduled for a listing on the ACE market on July 25, aims to raise RM20.93mil via its initial public offering (IPO) exercise.

Managing director H'ng Choon Seng said the proceeds would be for supporting the group's working capital and capital expenditure, as well as repayment borrowings.

"Some RM4mil is for capital expenditure, while another RM4.55mil will be for working capital.

"The remaining RM9.38mil and RM3mil will be allocated for the repayment of bank borrowings and defraying listing expenses respectively," he said at the launch of the group's prospectus.

Heng Huat's IPO entails a public issue of 46.5 million new ordinary shares of 10 sen each and an offer for



sale of 14.66 million existing shares, at an issue price of 45 sen per share.

Of the public issue of 46.5 million new shares, 7 million will be for the public while 5 million shares will be allocated to eligible employees and persons having contributed to the success of the group.

Some 12.2 million shares will be

allocated through private placement to identified investors, and 22.3 million shares will be placed out to bumiputra investors approved by the International Trade and Industry Ministry.

The existing 14.66 million shares under the offer for sale will be allocated by way of private placement to identified investors.

Chairman Datuk Juzilman Basir said the group was fine-tuning its latest product Briquette, an increasingly popular biofuel that could substitute for coal and firewood for energy production, to cater for the customisation needs of its clientele, as well as to meet the requirements

of various industrial applications. "We intend to improve on Briquette and expand into China."

Juzilman said the group planned to establish a direct presence in China to better market oil palm with empty fruit bunch (EFB) and strengthen its network with industrial users in the country.