

Company Name : Heng Huat Resources Group Bhd

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Heng Huat targets Main Market migration

ELIGIBLE FOR TRANSFER: Firm has met uninterrupted profit track record requirement

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HENG Huat Resources Group Bhd is looking to transfer its listing from Bursa Malaysia's ACE Market to the Main Market.

The integrated local manufacturer of oil palm and coconut biomass products obtained approval for the exercise during its annual shareholders meeting, here, yesterday.

Heng Huat executive director Lim Ghim Chai said the company planned to move by year-end.

Listed on the ACE Market in July last year, Heng Huat has reported a three-year aggregated audited net profit amounting to RM32.2 million for its 2012-2014 financial years.

"Our results have exceeded the minimum uninterrupted profit track record of RM20 million over three years to be eligible to transfer to the Main Market," he said.

"Pending approvals from Bursa

Malaysia, the Securities Commission and/or other authorities, the group targets to complete the transfer in the fourth quarter of this year," Lim added.

Heng Huat has set a RM35 million capital expenditure (capex) to build a new oil palm empty fruit bunch (EFB) fibre manufacturing facility in Gua Musang, Kelantan.

It currently operates two oil palm EFB fibre manufacturing facilities in Seberang Prai on mainland Penang.

With the new manufacturing plant at Gua Musang targeted to be operational in the second quarter of next year, Lim said the group's total oil palm EFB fibre production lines would increase from 20 lines to 27 lines with annual production capacity rising from 10,500 tonnes to more than 135,000 tonnes.

"Over the years, we have consistently grown our exports of oil palm EFB fibre to China," said its co-founder and managing director H'ng Choon Seng.

"This expansion plan is timely in the light of anticipated strong de-



Executive director Lim Ghim Chai says **Heng Huat is investing RM35m to build a new facility in Gua Musang, Kelantan.** Pic by Muhammad Mikail Ong

mand and the high utilisation rate of approximately 90 per cent in our existing plants."

The new Gua Musang plant would derive its raw materials from palm oil mills in Kelantan that are capable of providing Heng Huat

with a sustainable source of oil palm EFB supply.

"The expansion would allow us to fulfil a larger share of demand from China, and target new export markets such as Australia, South Korea and Japan."