

**MEDIA CLIPPING**

<b>Client :</b>	<b>DPI Holdings Berhad</b>	<b>Date :</b>	<b>27 November 2018</b>
<b>Media :</b>	<b>StarBiz</b>	<b>Section :</b>	<b>Business</b>
<b>Language :</b>	<b>English</b>		

# DPI Holdings to increase presence in Asian countries

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**KUALA LUMPUR:** Aerosol paint manufacturer DPI Holdings Bhd, which is en route for a listing on the Ace Market, aims to increase its international presence by penetrating into the distribution channels of countries in the region.

Deputy managing director Adam Chai told *StarBiz* that Asia-wise, it believed there is a growing market for aerosol paint and is looking at the South-East Asian countries, which have a year-on-year (y-o-y) growth of 4%.

“We forecast that developing countries such as Indonesia and Vietnam would have an interesting growth, and we predict that we would have a good export focus due to high demand,” he said.

Currently, DPI has a small presence outside Malaysia, with nine customers in countries such as New Zealand and Japan for its private label original equipment manufacturing (OEM) services.

The OEM services make up 24% of its financial year 2017 revenue.

The company is also a distributor of its own

brands including DPI, Anchor and Kromoto with over 700 distributors in Malaysia that makes up 56% of its revenue.

The remaining 20% of its revenue comes from DPI Chemicals Sdn Bhd, which specialises in trading of thinners and solvents.

“Our brand is strong in Malaysia and we hope that with this listing, we will be able to bring forward the brand internationally,” Adam said.

DPI chairman Peter Chai said the listing would bring the company better visibility to the international market where procedures could be done with transparency, thus increasing customer confidence.

“We have 35 years of experience in Malaysia with good quality control. Our products are eligible to perform well overseas,” he said.

Peter said that locally, the company’s market share stood at about 26%.

“Through our networking, we can add on new range of products and we are currently re-branding our products.

“In the Asia-Pacific, we sell our own brand products. The opportunities are big and will provide a better platform for us,” he said.

DPI currently has 110 workers at its factory



**Growth strategy:** Adam (left) and Peter sharing their growth plans for DPI Holdings.

in Muar, Johor. Its product mix includes spray paints for automotive repair and maintenance, arts and crafts as well as do-it-yourself projects.

The company is slated to be listed in January.

Its initial public offering entails 26% of its

enlarged capital with 126.5 million shares, of which 24.3 million would be made available to the Malaysian public and 14.1 million for directors, employees and people who have contributed to its success.

An additional 88.1 million shares will be for private placement to identified investors.