
MEDIA CLIPPING

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DPI garners strong support for IPO investor roadshow



Abang Abdul Karim (second right) looks on as Peter (second left) hands over a token of appreciation to Maimoonah (right) as Adam looks on.

KUCHING: Nearly 300 of Kuching's prominent businessmen and government representatives showed their ardent support for the investor roadshow of DPI Holdings Berhad (DPI) yesterday in conjunction with DPI Holdings' IPO on the ACE Market of Bursa Malaysia Securities Bhd (Bursa Malaysia).

The guest of honour of the roadshow was Datuk Abang Abdul Karim Tun Abang Openg, president of Sarawak Business Federation.

The event was also graced by Datuk Maimoonah Hussain, group managing director of Affin Hwang Capital. Also present were Raja Tan Sri Dato' Seri Aman Raja Haji Ahmad and Datuk Noor Azian Shaari, two of the board members of Affin Hwang Investment Bank Berhad.

DPI chairman and managing director Peter Chai shared that even though he had been in international business for much of his 61-year working experience, he had never forgotten his formative years of undertaking various business ventures in Kuching.

“We are grateful for the strong support, and are proud that we are able to successfully grow a Malaysian brand beyond our shores into the regional market,” he said.

“Besides Malaysia, we have established a customer base to include Australia, Indonesia, Japan, New Zealand and Singapore.

The aerosol market in Asia Pacific is expected to flourish, with rising urbanisation and motorisation. The industry growth is also supported by higher awareness of the Do-It-Yourself (DIY) culture, and arts and crafts segment, as consumer lifestyles gear towards greater personalization and creative expression.

To support our growth, we have already set in motion the expansion of our production capacity, in addition to increasing our clientele through increased marketing activities.”

Meanwhile, Affin Hwang Investment Bank’s Maimoonah said: “DPI’s aspiration to gain further foothold in the international markets has been evident from the beginning.

“With their formidable and experienced management team and excellent track record in the aerosol paint industry for over 30 years, we believe they will be able to capitalise on the opportunities in the APAC markets.”

She added, “We are proud to catalyse and be a part of their journey towards the listing on the ACE Market of Bursa Malaysia.”

In his speech, Abang Abdul Karim who is also president of Sarawak Business Federation said that the Chief Minister of Sarawak had recently launched the state’s largest Budget allocation for 2019 totalling RM11 billion, of which 67 per cent was dedicated to development initiatives, ultimately generating economic benefits and employment.

Abdul Karim added: “Human capital development is essential to achieve Sarawak’s higher level of economy in the future. The government has given emphasis on the development of human capital, and we hope that Peter Chai can continue his trait of advising the business community leaders.”

“The Sarawak Business Federation, which comprise 12 business bodies, has marked significant milestones in understanding the issues and challenges the business community is facing, and are hopeful that policies can be implemented aggressively going forward. I am certain that DPI can benefit from this transformation.”

DPI targets to double its production capacity from 9.7 million aerosol cans per year to 20.0 million cans per year, by constructing a new factory with four new fully automated filling lines, and upgrading production lines in its existing factory.

The new factory, set to commence production in the first half of 2020, would be adjacent to the existing factory in Johor.

Alongside the higher capacity, the Group intends to increase advertising and marketing activities.

These include more below-the-line initiatives such as participating in more trade fairs, as well as raising online presence through enhancing the company website, and increasing internet marketing and advertisements.

DPI's IPO entails the issuance of 126.5 million new shares at an issue price of RM0.25 per share, raising RM31.6 million in IPO proceeds.

Of the 126.5 million shares, 24.3 million shares will be for application by the Malaysian public and 14.1 million shares for application by eligible directors, employees and persons who have contributed to the success of the Group.

Meanwhile, 39.4 million shares are allocated for private placement to identified investors and 48.7 million shares for private placement to Bumiputera investors identified by the Ministry of International Trade and Industry.

Of the total IPO proceeds of RM31.6 million to be raised, RM23.5 million would be utilised for capital expenditure towards expansion of production capacity; RM3.0 million for extension of consumer reach through marketing and advertising activities, while RM1.3 million would be for development of new product range.

Barring unforeseen circumstances, DPI targets to list on the ACE Market of Bursa Malaysia on 7 January 2019. Affin Hwang Investment Bank Berhad is the Principal Adviser, Sponsor, Underwriter and Placement Agent for the IPO exercise.