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## THB Industries eyes Philippine and China markets

Zuraimi Abdullah

IN line with its target of exporting 20 to 25 per cent of its products this year, soon-to-be-listed THB Industries Bhd hopes to include China and the Philippines in its overseas portfolio.

The Penang-based manufacturer and distributor of high precision items like jigs and fixtures, precision tools as well as dies and moulds, markets the products to the US, Japan, Thailand and Singapore.

"We hope to start selling our products in China and the Philippines next year.

"In fact, a marketing office has been set up in the Philippines to facilitate sales operations there," said executive chairman Mokhzani Mahathir, adding that a feasibility study was now being carried out in China.

Speaking to reporters after THB Industries' underwriting in Kuala Lumpur yesterday, Mokhzani said the company now exports around 18 per cent of its production output.

The businesses of THB Industries, which is a subsidiary of Tongkah Holdings Bhd, is carried out through six subsidiaries - namely Polytool Automation Sdn Bhd, Polytool Industries Sdn Bhd, Paradigm Precision Sdn Bhd, Bend Weld Engineering Sdn Bhd, Megatool Precision Sdn Bhd and Polytool Engineering Sdn Bhd.

The first five subsidiaries are located in Penang while the last one, Polytool Engineering, is based in Bandar Sunway in Petaling Jaya.

The group's products are used to support mainly multi-national corporations involved in the semiconductor and consumer electronic sub-sector of the electronic industry.

On the local front, Mokhzani said steps were being taken to further penetrate the central and southern regions of Peninsular Malaysia by establishing more marketing offices and manufacturing facilities.

It would also place strong emphasis on research and development activities in order to come up with new products and machines with higher quality and design, he said, adding that these moves were in line with the company's aim of becoming a one-stop centre for the country's metal and tooling industry.

The company reported a pre-tax profit of about RM13.5 million on the back of around RM29.7 million in turnover for the year ended June 30, 1996. For this current year ending, it expects about RM14.5 million in pre-tax profit.

As part of its flotation exercise, THB Industries, which is heading for a listing on the Kuala Lumpur Stock Exchange Main Board, is making an offer for sale of 12.26 million shares at RM2.50 each.

Of this, about 4.2 million shares are allocated for the public, 912,000 shares for its eligible employees and directors, while about 5.34 million shares are reserved for approved Bumiputera investors.

The remaining 1.8 million shares are set aside for two of its existing Bumiputera shareholders.

The initial public offer will raise gross proceeds of some RM30.2 million, which will be accrued to the company's existing shareholders like Tongkah Equity Sdn Bhd, Kobay Holdings Sdn Bhd and several individuals.

Besides the offer for sale, the company's listing exercise also includes a 977-for-1000 bonus issue of 26.3 million shares and a revaluation of its subsidiaries' landed properties.

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