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THB makes debut at RM1 below its offer price

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THB Industries Bhd registered a RM1 discount over its offer price of RM2.50, when the counter made its debut at RM1.50 on the Kuala Lumpur Stock Exchange's main board yesterday.

By 9.36am, the counter climbed to RM1.90 but dropped to RM1.68 by midday with 603,000 shares traded.

It closed the first day of trading at RM1.57 after reaching a high of RM2 and a low of RM1.50, on a turnover of 784,000 shares.

Chairman Mokhzani Mahathir expressed disappointment over the price.

"Based on the prevailing market condition, we expected a discounted price nearer to the initial offer price.

"We hope that the price will pick up in tandem with the market in future," said Mokhzani, who is also the executive chairman and chief executive officer of Tongkah Holdings Bhd, which owns 50 per cent of THB Industries.

Mokhzani was speaking at a Press conference after THB Industries' listing ceremony at the KLSE.

THB Industries is involved in the high-precision engineering industry, which is a feeder industry to the semi-conductor and consumer electronics sub-sectors of the electronics industry. It is located at the Bayan Lepas Industrial Park in Penang.

On the company's expansion to the Philippines and China, group managing director Koay Hean Eng said the precision tooling plants would be operational within the next six months.

"We have invested over RM1 million on machinery for each plant. We may also set up plants in Malacca and Johor," he said, adding that the company was conducting a feasibility study.

The company has forecast a pre-tax profit of RM16.8 million for the year ending June 30, 1998, against RM14.51 million in 1997.

It is expected to register a turnover of RM40 million for the year ending June 30, 1998 compared to RM32 million in the previous corresponding year.

For its listing exercise, THB Industries offered for sale 12,262 million shares at RM2.50 per share.

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