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THB to set up factories in China, Philippines

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THB Industries Bhd, which is involved in the high precision engineering industry, plans to set up medium-sized factories in the Philippines and China as part of the move to expand its manufacturing base.

Group managing director Koay Hean Eng said the company's target was to set up offices for both countries next year.

"Sales offices were set up four months ago in these countries."

He was speaking after the company's share balloting ceremony at the Bangunan MIDF in Kuala Lumpur yesterday.

Koay said company's exports now exceeded 20 per cent.

"We expect the figures to increase to 25 per cent by next year. We also hope to tap new markets in United States, Japan, the Philippines and China," he said.

THB Industries is considered a feeder industry to the semiconductor and consumer electronics sub sectors of the electronics industry.

Earlier, chairman Mokhzani Mahathir said the company aimed to become a "one-stop centre" for all tooling needs for the high precision engineering industry.

"As the existing capacity of the company has not been fully utilised, we are planning to diversify into design, fabrication and assembly of moulds and dies for all kinds of industries."

The company, he said, had also entered into technology alliances with partners with countries such as Germany, to design and develop new automated machines for the electronics industry.

THB Industries, which started 13 years ago with one company, now has six subsidiaries, all of which are located in the Bayan Lepas Industrial Park in Penang and one in Kuala Lumpur.

It mainly supports the multinational corporations in the semiconductor and consumer electronic industries.

For the listing, THB Industries has offered for sale 12.26 million shares at an offer price of RM2.50 each in conjunction with its proposed listing on the main board of the Kuala Lumpur Stock Exchange.

Of the total, only 4.2 million shares were balloted yesterday.

For the Bumiputera portion, 8,065 applications for 10.49 million shares were received for the 30 per cent of the total shares offered, representing an oversubscription rate of 7.33 times.

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