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TELLING IT AS IT IS



Zulkifli (fourth from left) and CEKD managing director Yap Kai Ning (hitting the gong) alongside the group's top management and representatives from M&A Securities at a ceremony to mark the stock's debut on the ACE Market.

CEKD opens at 60 sen, 25% above offer price

PETALING JAYA: Die-cutting solutions and mould manufacturer CEKD Bhd debuted on the ACE Market of Bursa Malaysia Securities Bhd yesterday, opening its maiden trading session at 60 sen, a 25% or 12 sen premium over its offer price.

It hit an intraday high of 62 sen and closed its first trading day at 54.5 sen, a 13.5% or 6.5 sen premium over its issue price of 48 sen per share with over 98.33 million shares changing hands.

CEKD chairman Datuk Zulkifli Adnan believes the initial public offering (IPO) will give it more visibility and will aid its

expansion going forward.

"This will help us to not only retain our customers in Malaysia but help capitalise on other markets such as Southeast Asia and the Middle East," he said in a statement in conjunction with CEKD's listing.

"We believe there are plenty of opportunities that we can tap into in these markets due to the growth in E&E, plastic and packaging, automotive as well as textile and leather industries."

The group raised RM24.28 million from its IPO, in which RM8.8 million will be used toward the acquisition of a factory in Kepong

and RM4.3 million has been earmarked for capex to acquire new machineries and software upgrade to improve its production efficiency.

On the other hand, RM4 million will be used towards repayment, RM1.5 million has been allocated to marketing activities, RM2.68 million has been set aside for general working capital and the remaining RM3 million will be used to defray listing expenses.

For the exercise, CEKD saw an oversubscription rate of 131.61 for the 50.59 million new shares issued.