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PetChem, Dialog, Duopharma, Yong Tai, Caely, DNeX, Reservoir Link, Borneo Oil, Chin Hin and SCIB

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KUALA LUMPUR (May 17): Here is a brief look at some corporate announcements and news flow on Tuesday (May 17) involving Petronas Chemicals Group Bhd (PetChem), Dialog Group Bhd, Duopharma Biotech Bhd, Yong Tai Bhd, Caely Holdings Bhd, Dagang NeXchange Bhd (DNEX), Reservoir Link Energy Bhd, Borneo Oil Bhd, Chin Hin Group Bhd and Sarawak Consolidated Industries Bhd (SCIB).

Petronas Chemicals Group Bhd (PetChem) is acquiring the entire equity interest in leading specialty chemicals group Perstorp Holdings AB from Financière Forêt SARL for a base purchase of €1.538 billion (RM7.018 billion) cash. The acquisition marks the creation of a significant specialty chemicals portfolio, while enhancing its overall earnings, said PetChem, which together with its unit Petronas Chemicals International BV (PCIBV) has entered into a conditional securities purchase agreement with the seller for the proposed acquisition.

Under the deal, PCIBV is required to pay a maximum of €45 million when Perstorp's new pentaerythritol plant in Sayakha, India achieves mechanical completion and the required permits to commence operations.

PCIBV is also required to repay all outstanding amounts owing by Perstorp group pursuant to certain existing financial agreements amounting to €851.7 million.

Dialog Group Bhd posted a net profit of RM133.06 million for the third financial quarter ended March 31, 2022 (3QFY22), down 2.3% from RM136.17 million a year earlier, mainly caused by higher project cost. Quarterly revenue, however, jumped 46.5% to RM593.43 million compared with RM405.18 million a year ago, contributed by increased business activities in both home and international operations. The company declared an interim cash dividend payment of 1.3 sen per share, to be paid on June 28, 2022.

Duopharma Biotech Bhd's net profit for the first quarter ended March 31, 2022 (1QFY22) grew 15.2% to RM20.29 million from RM17.61 million in the same quarter last year, on the back of its quarterly revenue's 11.71% rise to RM185.94 million from RM166.45 million previously, bolstered by higher sales to the consumer healthcare and private ethical sectors.

Yong Tai Bhd has entered into debt settlement agreements with 19 creditors — which include, amongst others, Bursa-listed companies Econpile Holdings Bhd and Siab Holdings Bhd — to pay off RM46 million owed by issuing 92 million new shares at 50 sen per share. Econpile is to receive eight million Yong Tai shares to settle the RM4 million debt owed by Yong Tai, while Siab will be issued 12 million shares for the RM6 million owed to it.

The debt settlements, as well as the listing of and quotation for the new settlement shares will be implemented after the share consolidation of every five existing shares into one share, and the bonus issue of warrants of up to 103.1 million new warrants on the basis of one free warrant for every four consolidated Yong Tai shares.

Lingerie maker **Caely Holdings Bhd's** former executive director Wong Siaw Puie has been redesignated as executive chairman of the company effective Tuesday (May 17). Wong takes over the chairman post of Caely

from the company's ex-chairman Datuk Wira Ng Chun Hau, who resigned to pursue other personal opportunities. Caely also announced the appointment of Koo Chen Yang as the company's new executive director.

Caely has been closely watched since April 18, 2022, when it was announced that the authorities — which was later known to be the Malaysian Anti-Corruption Commission — had issued a freeze order on the bank accounts of the company, which also said it was not aware of any wrongdoings that had led to the authorities' move.

Dagang NeXchange Bhd (DNeX) has inked a memorandum of understanding (MoU) with Taiwanese giant Hon Hai Precision Industry Co Ltd's (better known as Foxconn) unit Big Innovation Holdings Ltd to set up a joint venture company to build and operate a 12-inch wafer fabrication plant in Malaysia, capable of producing up to 40,000 wafers per month in 28-nanometer and 40-nanometer technology.

The MoU came nearly a year after Foxconn emerged as a shareholder of DNeX, which itself expanded into the semiconductor space by taking over loss-making SilTerra Malaysia Sdn Bhd from Khazanah Nasional Bhd.

Reservoir Link Energy Bhd has executed a joint venture (JV) and shareholders' agreement with ADS Asset Holdings Sdn Bhd (AAH) to jointly co-fund, construct and develop energy storage solutions. Reservoir Link and AAH will hold the JV on a 51:49 basis.

Borneo Oil Bhd has entered into a sale share agreement with MT 23 Resources Ltd to acquire a 22.49% stake or 28.36 million shares in Sabah-based clinker and cement products manufacturer Makin Teguh Sdn Bhd (MTSB) for RM73.56 million by way of treasury share transfer and cash from internally generated funds. MT 23 is the legal and beneficial owner of 28.78% of the equity in MTSB, represented by 36.28 million shares of the issued and paid-up share capital of the company.

Chin Hin Group Bhd is disposing its remaining 19.34% stake in Solarvest Holdings Bhd for RM103.28 million cash or 80 sen per share to Divine Inventions Sdn Bhd in a related party transaction (RPT).

Divine Inventions is controlled by the Chiau family, which also owns 36.6% in Chin Hin. Chin Hin's executive chairman Datuk Seri Chiau Beng Teik also owns a 1.4% direct stake in Solarvest, while Chin Hin group managing director Chiau Haw Choon owns 0.08% in the solar company. Bulk of the proceeds has been earmarked for the repayment of bank borrowings.

Sarawak Consolidated Industries Bhd (SCIB)'s unit SCIB Properties Sdn Bhd has accepted a letter of award for an engineering, procurement, construction and commissioning contract worth RM36 million from Masama Sdn Bhd for road infrastructure projects in Sarawak — which is expected to span from May 2022 to April 2023.

Edited by Esther Lee

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