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(From left) KAF Investment Bank Bhd directors of corporate finance Aziz Hariss Ibrahim and Ahmad Fazlee Aziz, KHPT Holdings Bhd independent non-executive directors Datuk Noor Azian Shaari and Datuk Noripah Kamso, group managing director Datin Eloise See, executive director Hideki Nomura and independent non-executive director Chan Yan San, Bursa Malaysia Bhd chairman Tan Sri Abdul Wahid Omar and KAF Investment Bank chief executive officer Rohaizad Ismail at Tuesday's listing ceremony. (Photo by Zahid Izzani)

KUALA LUMPUR (Oct 8): Automotive parts supplier KHPT Holdings Bhd (KL:KHB) ended its first day of listing on Bursa Malaysia's ACE Market on Tuesday with a 7.5% gain.

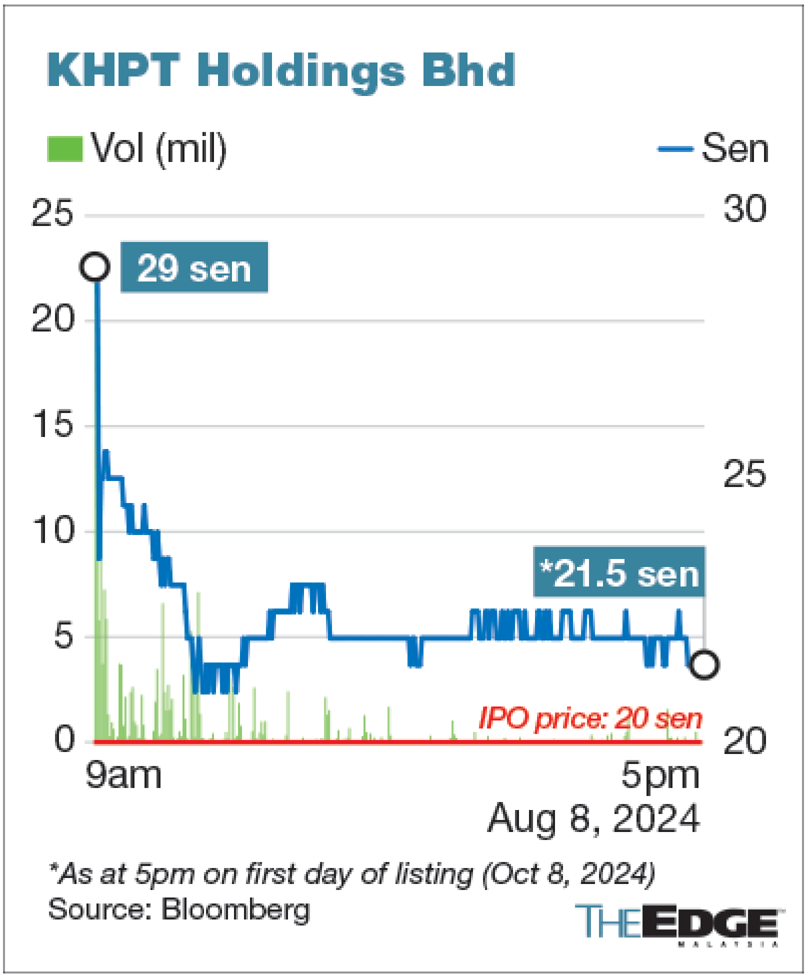
KHPT shares closed at 21.5 sen versus its initial public offering (IPO) price of 20 sen per share, giving it a market capitalisation of RM86.5 million. The stock opened at 29 sen, marking a nine sen or 45% surge on volume of 15 million shares.

The stock was among the most active counters of the day, with 194.1 million shares traded. Based on its IPO price of 20 sen, KHPT is valued at about 14.54 times its profit after tax for the financial year ended Dec 31, 2023 of RM5.5 million.

KHPT raised RM21.73 million through a public issue of 108.64 million new ordinary shares priced at 20 sen each, with over 75% of the proceeds allocated for capital expenditure.

Of the total, RM11.05 million (50.8%) are set aside for the purchase of press machines, RM4.5 million (20.7%) for automation equipment, RM450,000 (2.1%) for factory renovations, and RM370,000 (1.7%) for an overhead crane.

Meanwhile, RM700,000 is designated for working capital, followed by RM4.66 million for listing expenses.



"With a market capitalisation of RM80.48 million, we are strategically positioned to leverage our established relationships with Proton and Perodua — brands that dominate the local market," KHPT independent non-executive chairman Datuk Noripah Kamso said in a statement.

"Today's listing marks the beginning of our gradual expansion, both in Malaysia and potentially into international markets, setting the foundation for long-term value proposition for our customers, investors, and shareholders," she added.

The group has been an automotive parts and components supplier to Proton for 29 years, and to Perodua for 24 years, through 'Tier 1' suppliers and manufacturers.

KHPT group managing director Datin Eloise See also hopes to see more foreign carmakers setting up plants in Malaysia.

“As opportunities emerge, we look forward to forming partnerships with these companies, which is what I meant by exploring the possibilities of tapping into the international market,” she said after the listing ceremony at Bursa.

KAF Investment Bank Bhd is the principal adviser, sponsor, underwriter and placement agent for the IPO exercise.