

Scientex holds 61.89% stake in Daibochi after MGO

BY JUSTIN LIM

KUALA LUMPUR: Scientex Bhd has garnered valid acceptance of a 61.89% shareholding in Daibochi Bhd through its mandatory general offer (MGO) in a share swap, according to its latest filing with Bursa Malaysia.

Under the MGO, closed at 5pm yesterday, Daibochi shareholders had the option to swap 5.5 of their shares for one Scientex share.

The MGO also included a cash offer to acquire all outstanding Daibochi warrants at one sen per warrant. A total of 82 warrant holders holding 1.16 million warrants — 4.24% of Daibochi's total outstanding warrants — accepted the cash offer.

To recap, Scientex launched the MGO after buying a 42.48% stake in Daibochi for RM222.5 million on Feb 19 to expand its client base and enhance capabilities in the flexible packaging business.

In a separate statement, Scientex managing director Lim Peng Jin said: "We are making excellent headway in the integration of Scientex and Daibochi, with both managements committed to expanding our share in the global flexible packaging market.

"Apart from cost-savings through shared resources and raw material procurement, we are also excited about synergies to be realised through combining technical expertise, product portfolio and developmental capabilities, as well as leveraging the comprehensive production expertise of our 18 manufacturing facilities in Malaysia and abroad," Lim added.

"These efforts pave the way for [our] growth to become a larger and formidable flexible packaging player, with enhanced capabilities to offer better value propositions and sustainable solutions to brand owners and their supply chains."

Scientex shares fell five sen or 0.58% to RM8.50, valuing the group at RM4.38 billion. The counter saw some 53,400 shares done. Daibochi shares rose seven sen or 4.29% to RM1.70, with a market capitalisation of RM556.49 million. It saw some 44,300 shares traded.