

# Malaysia's Pestech Plans To Raise \$18 Mln Via Cambodia Unit IPO By 2Q, 2018 - CEO

By Gho Chee Yuan

Nikkei Markets

KUALA LUMPUR (Sep 06) -- Malaysian electrical equipment maker Pestech International plans to raise cash equivalent of about \$18 million through an initial public offering of its Cambodian unit by the second quarter of 2018, its chief executive said Wednesday.

The company, which has appointed the Cambodian unit of RHB Bank to advise on the proposed IPO, may file the prospectus by this year-end ahead of the share sale, Paul Lim Pay Chuan said at a news conference.

Pestech will continue to hold a 60% stake in the Cambodian unit after its IPO, Lim said.

The proposed listing is expected to bolster Pestech's presence in the so-called Indo-China area where the company estimates huge growth potential as Laos and Myanmar ramp up power generation capacities amid brisk industrialization.

"We intend to make Cambodia a hub for us to penetrate into Indo-China market," said Lim. "The unit will be focusing on electrification jobs especially in Laos and Myanmar that are seeing high demand for electricity, and we will set up an assembly plant there so that we can control our cost better."

Meanwhile, the company launched an air insulated switchgear for smaller industry users and expects to sell about 200 such units annually, Lim added.

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