

S'kan plywood company targets European markets

KOTA KINABALU: Cymao Holdings Bhd, a wood-based company enroute to the Main Board of the Malaysia Securities Exchange Bhd, has announced that its application for a CE certification (European) will be approved within this fiscal year.

The CE certification – a mandatory requirement for plywood product sales used in permanent building fixtures throughout the European Union – enables Cymao to further penetrate the lucrative Western construction-linked markets.

Cymao is the investment holding company for wholly-owned Cymao Plywood Sdn Bhd based in Sandakan. Cymao Plywood is a downstream wood industry manufacturer and distributor of quality plywood, veneer and decorative plywood products.

"We are confident that the global demand for plywood products will continue to expand," Cymao Holdings executive director Lin Tai Hsuan told an analysts' briefing in Kuala Lumpur on Wednesday. A statement was released to *Daily Express*, Thursday.

The company expects to be listed on March 18, in an exercise involving a public issue of 9 million new ordinary shares of RM1.00 each at an issue price of RM2.50 per share.

The issue is configured at 3 million new ordinary shares available for application by the Malaysian public; 3 million shares for eligible directors, employees, customers and suppliers of Cymao and its subsidiary; and another 3 million shares by way of private placement to public investors.

Proceeds from the public issue will be fully utilised for the acquisition of land, construction of a new manufacturing plant and warehouse, as well as for purchase of machinery required for the increase in production.

"Our forecast indicates a revenue of RM180 million for the year ending with a projected growth in net profit to RM20.6 million, based on increased production volume and export growth of 10 per cent post-listing," Lin added.

Cymao is an FSC certified manufacturer, a certification that is recognised worldwide that its production processes are environmentally-friendly, and that the products are derived from renewable timber sources.