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## Daya Materials to undertake three fund-raising exercises

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**KUALA LUMPUR:** Based on news flow and corporate announcements last Friday, the stocks that may be in focus today include Daya Materials Bhd, AMMB Holdings Bhd, UMW Holdings Bhd, Sunway Bhd and Dayang Enterprise Holdings Bhd.

Integrated oil and gas company Daya Materials Bhd, which plans to buy two offshore subsea construction vessels for US\$280 million (RM888.2 million) cash, will undertake three major fund raising exercises to part-finance the substantial acquisitions.

In a filing with Bursa Malaysia yesterday, Daya Materials said it will place out up to 25% stake, rights issue with free warrants to raise RM230 million. It will also issue a seven-year redeemable convertible secured bonds of up to RM120 million.

Daya Materials said it had signed two memoranda of agreement with Siem Offshore Rederi AS (SORA) to acquire the offshore subsea construction vessels.

Daya Materials will also pay an additional US\$2.3 million (RM7.3 million) for a 50-tonne active heave compensation 3,000m crane.

Daya Materials said the proposed acquisitions will enable the group to own and operate the vessels, instead of chartering them from SORA.

AMMB Holdings Bhd's net profit rose 16.2% to RM536.94 million

in the first financial quarter ended June 30, 2014 (1Q FY15), from RM461.98 million a year ago, underpinned by the divestment gain from its 50% partnership stake in AmLife Insurance Bhd and AmFamily Takaful Bhd.

The banking group's revenue grew 8.3% to RM2.58 billion, from RM2.38 billion.

On its future prospects, AMMB group managing director Ashok Ramamurthy said the bank anticipates some headwinds in the business environment with further industry consolidations, intensifying competition and rising compliance requirements.

UMW Holdings Bhd's unit, UMW Engineering Services Ltd, has secured RM200 million worth of contracts to supply more than 60 units of Komatsu mining equipment to jade miners in Hpakant, Myanmar.

The company said it is confident of securing more orders for Komatsu in Myanmar, as the nation is expected to lift a ban on jade mining activities in September.

Property construction conglomerate Sunway Bhd will establish a RM2 billion sukuk programme, with a tenure of seven years.

The group told the bourse that it will issue Islamic commercial papers and Islamic medium-term notes.

Sunway said RM30,000 of the proceeds raised will be channelled to fund the trustee's reimburse-

ment account, as required under the Securities Commission's trust deed guidelines.

The money raised will also be used to finance investment activities, capital expenditure, working capital, as well as other general corporate purposes including future operating expenses and financing expenses. It will also be used to repay future borrowings.

Dayang Enterprise Holdings Bhd, a homegrown maintenance and support services provider for the oil and gas industry, reported a net profit of RM54.63 million in the second financial quarter ended June 30, 2014, 54.8% higher than RM35.28 million a year ago.

It also declared a first interim tax-exempt dividend of 3.5 sen, payable on Oct 10.

The group's quarterly revenue almost doubled from RM111.57 million to RM221.69 million, due to higher value of work orders received and performed for its new hook-up and commissioning contracts.

In a filing with Bursa Malaysia yesterday, Dayang said despite 99% revenue growth, its quarterly pre-tax profit only increased by 59%, because of lower profit margins from the work orders performed.

Going forward, Dayang remains positive of its prospects, as the group has call out contracts amounting to about RM4.5 billion to last at least until 2018. It also has an outstanding tender book of about RM400 million.