

CabNet launches prospectus with IPO of 21 million new shares

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Tan (middle), CabNet's board of directors as well as directors from TA Securities Holdings Bhd pose for a photo after CabNet's prospectus launch yesterday.

KUCHING: CabNet Holdings Bhd (CabNet) launched its prospectus yesterday in conjunction with the announcement of the company's proposed listing on the Ace Market of Bursa Malaysia Securities Bhd (Bursa Securities).

CabNet and its subsidiaries are principally involved in the provision of building management solutions comprising structured cabling works and Extra Low Voltage (ELV) systems, as well as IT services.

CabNet's initial public offering (IPO) involves a public issue of 21 million new ordinary shares, representing approximately 16.15 per cent of its enlarged issue share capital, at an issue price of RM 0.56 per share payable in full upon application.

Speaking at the launch ceremony, independent non-executive chairman Datuk Tan Kok Hong said becoming a listed entity is a significant milestone for CabNet as it will enhance the recognition and stature of the group as well as increase market awareness of our products and services, which complements our efforts in expanding customer and supplier base.

"We are excited to embark on this new phase in our corporate journey and this brings us one step closer to the finishing line of this IPO exercise," he said in a statement yesterday. "Through the IPO, we aim to increase and strengthen our market presence in Johor, while pursuing more opportunities for more projects beyond Johor."

According to an Independent Market Research (IMR), video surveillance is becoming an increasingly popular method to meet the demand for greater levels of security within the community.

Video surveillance cameras are widely used for various purposes across various operating industries, which includes government sectors, retail, financial, educational and industrial sectors.

As a service provider, CabNet has a proven track record of excellence. The company is backed by a capable project delivery team that enables the Group to undertake multiple projects simultaneously.

In addition, the group is able to leverage on its professional knowledge to deliver customised solutions and services according to clients' property type and requirements.

With these competitive strengths, CabNet has established and maintained long-term relationships with customers, and has successfully secured several major projects, such as DoubleTree Hotel by Hilton, Holiday Villa Hotel, Forest City Hotel and Pinetree Marina Resort.

Tan further added, "We will offer video monitoring solutions in collaboration with NetPosa Technologies Limited as our strategic partner. We intend to leverage on our knowledge of the local market and customer requirements to develop new solutions to meet the needs of our customers and further grow and diversify our business."

Through the public issue, CabNet aims to raise a total of RM11.76 million in gross proceeds, of which 44.7 per cent will be allocated for the group's working capital, which includes the purchase of equipment, components and parts for projects.

A further 4.3 per cent of the proceeds will be allocated for research and development expenditure. The balance of 51 per cent of the proceeds will be utilised for both repayment of bank borrowings and to defray listing expenses.

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