

Company Name : China Stationery Limited
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China Stationery Buying 9.8pc Of Pelikan

KUALA LUMPUR: China Stationery Ltd (CSL), which holds the largest market share for stationery files in China, is buying a 9.79 per cent stake in Pelikan International Corp Bhd for RM50 million via a share swap deal.

The company, the most valuable China-based firm listed on Bursa Malaysia with a market capitalisation of RM1.26 billion, said the deal will be done via the issuance of 47.169 million new CSL shares.

CSL shares are priced at RM1.06 a piece, while those of Pelikan are valued at about RM1 a piece. Yesterday, CSL and Pelikan closed at RM1.06 and 74 sen, respectively.

In a filing to Bursa Malaysia, CSL said it will acquire the Pelikan stake from Mahir Agresif (M) Sdn Bhd, PBS Office Supplies Holding Sdn Bhd and Persada Bina Sdn Bhd.

The company said the proposed acquisition is a strategic move to enhance its value and position as a global stationery player.

The proposal can open the way for a strategic collaboration between CSL and Pelikan, in terms of resource sharing, market insights and networking.

"CSL and Pelikan will be able to work together to grow the business, in terms of sales, distribution and procurement of Pelikan's stationery products in the markets," it said, adding that Pelikan products can leverage on CSL's strong market network and access in China.

The collaboration will also lead to increased cost effectiveness in the operations of both companies. Sharen Kaur