

Company Name : VS Industry Berhad
Date : 28 April 2021
Source : The Edge Markets

VS Industry's Facilities In Johor On Track For Completion



KUALA LUMPUR (April 28): VS Industry Bhd (VSI), which today received its shareholders' approval for its proposed bonus issue of shares and warrants, said the construction of its new facilities at i-Park @ Senai Airport City in Johor is on track to be completed soon.

The new capacity would allow it to meet the increased orders from customers, the integrated electronics manufacturing services provider said.

"The enquiries stemming from the ongoing United States-China trade war remain encouraging and are being addressed and evaluated by our special business development taskforce," managing director Datuk SY Gan said in a statement today.

Meanwhile, at its extraordinary general meeting today, shareholders approved VSI's proposed one-for-one bonus issue of up to 1.92 billion new ordinary shares and proposed bonus issue up to 768.2 million free warrants on the basis of one warrant for five existing VSI shares held.

Gan said following the green-light, the company expects greater participation by investors, which in turn would lead to a broadening of shareholder base.

"On the other hand, the free warrants provide our shareholders the option to further increase their equity participation in the group by exercising the warrants at a pre-determined price over the tenure of the warrants.

"From VSI's standpoint, this would potentially provide additional funds to the group for capital expenditure and to repay bank borrowings," he said.

The group recorded its highest first-half profit after tax and non-controlling interest of RM130.5 million on the back of RM1.99 billion revenue for the period ended Jan 31, 2021.

It also declared a total dividend per share of 2.4 sen for the aforementioned financial period.

VSI's balance sheet remains in a net cash position, with net cash per share of 10 sen as at end-January 2021, backed by net assets of RM1.07 per share.