

EA bound for ACE Market

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KUALA LUMPUR: Software solutions provider EA Holdings Bhd, which is seeking a listing on the ACE Market of Bursa Malaysia, will undertake a public issue of 40 million new shares of 10 sen each, and offer for sale 18 million existing shares to identified investors.

In a prospectus exposure released by the Securities Commission today, EA Holdings said out of the 40 million public issue shares, 31 million will be issued to identified investors, seven million to directors and employees of the company, and two million to the public. The shares were fully underwritten.

OSK Investment Bank is the sponsor, adviser, underwriter and placement agent for the initial public offering (IPO).

EA Holdings, which was incorporated in November 2006, is primarily engaged in investment holding, management and consultancy services. Following a restructuring exercise, EA Holdings, through its subsidiary companies, is involved in the provision of software solutions mainly in business intelligence and data warehousing, and automated invoices processing solutions.

The group said the funds raised from the IPO would be used to continue its operations and for expansion.

"Our immediate focus is to extend our RFID (radio frequency identification)-based product lines to cover major key applications of the RFID TECHNOLOGY, namely in supply chain management, asset tracking (real-time locating system), security and access control and inventory warehouse," it said.

EA Holdings also intends to recruit more resellers overseas and collaborate and partner several large multinational system integrators.

"In addition, our group is planning to establish a presence in the overseas market by setting up regional and overseas offices, starting with China, via our international marketing arm to be set up this year. Part of the IPO proceeds will be utilised to finance this endeavour," it said.

EA Holdings' wholly-owned unit EASS Sdn Bhd was granted bumiputera contractor status by the ministry of finance in 2007. This status allows EASS to bid for tenders reserved for bumiputera companies, giving it a foothold in the lucrative government-linked companies sector.

For the financial ended Dec 31, 2009, EA Holdings posted a consolidated net profit of RM3.64 million on the back of RM13.9 million in revenue.

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