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Headline: PUC to Raise RM29m From Private Placement For Investment In 11Street

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PUC to raise RM29m from private placement for investment in 11Street

KUALA LUMPUR (June 7): PUC Bhd has proposed a private placement to raise about RM29.1 million, the bulk of which will be used for its intended investment in Celcom Planet Sdn Bhd (11Street Malaysia).

The amount to be raised is based on an indicative issue price of 18.3 sen per placement share and 159.2 million placement shares, the group said in a filing with Bursa Malaysia.

11Street Malaysia is one of the largest e-commerce platforms in the country, and PUC will be appointed as a preferred partner of 11Street Malaysia to provide for its marketing needs.

PUC said it views the private placement as the most appropriate avenue of raising funds, as it is cost effective and expeditious.

Also, it provides an avenue for PUC to raise funds without having to incur interest cost compared with bank borrowings.

PUC also said that upon completion of the placement, the enlarged capital base is expected to strengthen the financial position and widen its shareholders' base.

PUC said the placement will be submitted within one month and is expected to be completed by the fourth quarter of this year, subject to the relevant approvals obtained.

PUC's share price rose one sen or 4.65% to 22.5 sen today with 97.1 million shares traded, giving it a market capitalisation of RM358.1 million.