

Business Times

Maxwell starts 2011 listing with a premium

THE first listing for 2011 did well on its maiden day as shares of China-based sports shoe maker Maxwell International Holdings Bhd gained 4.6 per cent to close at 56.5 sen yesterday.

In fact, the stock rose more than 9 percent to a high of 59 sen, before giving up some of its gains. It was also the eighth most active stock by volume.

"The international market requires a much higher quality. So, listing on Bursa will enhance our corporate profile and improve the customer base going forward," said its chairman Li Kwai Chun at the listing ceremony in Kuala Lumpur yesterday.

Maxwell's initial public offering consists of a public issue of 63.75 million new shares of 40 sen par value at an issue price of 54 sen each, thus raising RM34.4 million for the group.

Of the proceeds, RM12 million is for expansion of production facilities, RM6 million to expand the group's design and development efforts, RM9.7 million for working capital and the balance RM6.8 million for listing expenses.

The company, which is based in Jinjiang in Fujian, China, manufactures for global brands such as Kappa, Diadora, Brooks, FILA and Yonex.

The company intends to bring its own brand of sports shoes into the market within the next three to five years.

"Leveraging on our proven track record and extensive distribution network of trading houses and brand distributors, we believe launching our own brand of sports shoes will further strengthen our position in the sport shoes manufacturing industry in China," she said.

Maxwell is also focusing more on exporting and increasing its contract manufacturing for international markets.

"We are in talks with companies in Europe and the US and we will reveal details of this collaboration by the first half of this year," she added.



Li (right) and other Maxwell directors looking pleased with the performance of the company's shares on Bursa Malaysia yesterday