

Century Logistics says major shareholders not selling out

PETALING JAYA: Century Logistics Holdings Bhd, an integrated logistics services provider, has denied that its major shareholders are selling out their stakes in the company.

The company was commenting on a news report citing sources that its major shareholders were looking to dispose of their stakes.

"The company has promptly conducted a due inquiry on the article with the major shareholders of the company, namely, its executive chairman Datuk Phua Sin Mo, managing director Teow Choo Hing and ex-executive director Teow Choo Chuan.

"Upon due inquiry, we wish to advise that the stated intention of the major shareholders looking to sell their equity interests in the company is completely untrue," it said in a filing with Bursa Malaysia yesterday.

According to the news article, major shareholders, inclusive of Phua, Choo Hing and Choo Chuan, and several other substantial shareholders who collectively hold a 44% stake in the company, were willing to sell their stakes at a huge premium of between 60% and 70%. It also said Century Logistics had previously been in talks with Felda Global Ventures Holdings Bhd (FGV) for a similar reason.

Century Logistics closed three sen or 4.8% higher to 65.5 sen yesterday. The counter had been on

a downtrend since September last year. Its 52-week high and low was recorded at 92 sen and 53 sen, respectively.

According to *Bloomberg* data, the major shareholders of the company were Phua with a 26.66% stake, Choo Hing and Choo Chuan with 11.53% and 6.03%, respectively, and Datin Lee Lay Hun with a 6.82% stake, adding up to just over 51%.

Century Logistics reiterated that the major

shareholders would take the lead to ensure continued growth of the company in the years to come, and that the leadership for this charge would come from both Phua and Choo Hing.

On the talks with FGV, Century Logistics had previously made a statement that the said collaboration would not proceed.

Century Logistics posted a net profit of RM16.2mil for the first nine months ended Sept 30, 2014, reflecting an increase of 27.5% over the same period in 2013, with a net asset per share of RM2.13.

The company, with a market capitalisation of close to RM240mil, has been paying out dividends three times a year at a yield of 8.4%. The company, which mainly provides third-party logistics services to many multinationals, used to enjoy lucrative oil and gas logistics off the coast of Pasir Gudang, Johor, with its net profit reaching over RM30mil in financial year 2011. However, ship-to-ship oil transfer activities have been dramatically reduced, mainly to improve access to major multi-billion projects there since 2012.

In July last year, Century Logistics announced a corporate exercise to enhance its trading liquidity and the marketability of its shares via a bonus issue, share split and other amendments to facilitate the share split.