

Malaysia's Cropmate sets to raise RM42.0 Million from ACE Market IPO reinforcing Fertiliser Industry

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IPO to Enhance Operations and Customer Service Capability in Malaysia's Fertiliser Industry



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Cropmate Berhad, a key player in the conventional and specialty fertiliser manufacturing industry in Malaysia, has launched its prospectus for the upcoming initial public offering (IPO) on the ACE Market of Bursa Malaysia Securities Berhad (Bursa Securities).

The IPO aims to raise RM42.0 million through the issuance of 210.0 million new shares at a retail price of RM0.20 per share. The proceeds from the IPO will be allocated as follows:

RM17.1 million for working capital to support Cropmate's growing operations. RM16.7 million to part finance the purchase considerations of Factory Lot 8949 and Factory Lot 8950 where Cropmate's operations are located. RM3.2 million for capital expenditure including setting up of a Research and Development (R&D) and test laboratory. RM5.0 million to defray listing expenses.

Managing Director of Cropmate, Mr. Lee Chin Yok, stated, "This is a defining moment for Cropmate with the launch of our prospectus. As the first-ever pure-play fertiliser company to be listed on Bursa Malaysia, this IPO represents our commitment to enhancing agricultural productivity and sustainability in Malaysia. With the proceeds, we aim to expand our R&D capabilities and continue to innovate in the fertiliser industry. We are excited about the opportunities this IPO opens for Cropmate as we strengthen our presence in the Malaysian agricultural sector."

He further added, "Our focus on expanding our R&D capabilities and securing strategic assets aligns with our long-term vision of becoming a leading force in the industry. The additional working capital will also provide us the necessary resources to meet the rising demand for high-quality fertilisers, especially amongst the durian orchards and oil palm plantations, while ensuring continuous innovation and excellence in our operations."

Group Managing Director/Chief Executive Officer of HLIB, Ms. Lee Jim Leng, expressed her support, stating, "Cropmate is well-positioned to capture the growth in Malaysia's agricultural sector, especially with its focus on innovation and sustainability, which allows them to play a pivotal role in strengthening food security as our population continues to grow. Their strategic initiatives, backed by a strong operational foundation, ensure that Cropmate will continue to thrive and lead the fertiliser industry moving forward."

Cropmate's growth is anchored in its expertise in the formulation and blending of conventional and specialty fertilisers, as well as trading of straight fertilisers. The Company's commitment to supporting farmers with innovative, high-quality fertilisers has established it as a trusted name in Malaysia's agricultural industry.