

The Star Biz

08-12-2006: MAE to expand overseas operations

BATU PAHAT: Malaysian AE Models Holdings Bhd will be setting up production facilities in India and Vietnam to better serve its customers in the two countries.

Its group managing director and chairman Datuk Lim Kee Sinn said the company was in the midst of finalising the projects with relevant parties there.

He said the company would invest about US\$1mil on each of the plant located in Chennai, India and Vietnam's Ho Chi Minh City.

Lim said construction work on both plants would take place in the first-quarter of 2007 with expected completion by the end of next year.

"Our decision to set up facilities in both countries is largely due to the increase in foreign direct investment (FDI) there," he told StarBiz after the company's AGM.

MAE is a one-stop automated materials handling and factory automation system solutions provider with a wide range of products and services.

"The company has RM245mil in current book order and this will keep us busy until end of next year," he said.

Lim said India and Vietnam were fast becoming "darlings" of foreign investors and multinational corporations (MNCs) in the world after China.

He said China would become the main growth driver for company like MAE as the country's material handling and logistics industries were estimated to be US\$20bil yearly.

He said the company anticipated an increase in its overseas sales to 70% in the current financial year ending 31-05-07 from 63% recorded in the previous FY06.

For the FY06, MAE recorded RM286.78mil in turnover from RM186.04mil in FY05, the pre-tax profit stood at RM18.64mil in FY06 from RM12.60mil in FY05.

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