

Kumpulan Perangsang Acquires CPI Penang For RM250 Million

KUALA LUMPUR, Feb 14 (Bernama) -- **Kumpulan Perangsang Selangor Bhd** (KPS) has entered into a conditional agreement to buy fully-integrated electronic manufacturing services player, CPI (Penang) Sdn Bhd for RM250 million.

The acquisition from HK Resources Sdn Bhd and TCS Resources Sdn Bhd, marked the group's entry into the manufacturing sub-sector.

"The purchase consideration, which values CPI at an enterprise value to earnings before interest, tax, depreciation and amortisation ratio of 6.5 times, will be fully satisfied in cash from internal funds and bank borrowings," it said in a statement.

Post-acquisition, KPS said it intended to retain the senior management team of CPI, including the chief executive Officer (CEO) who is also an indirect shareholder of the company.

KPS CEO Ahmad Fariz Hassan said the acquisition was aligned with the group's vision and aspiration to grow beyond its borders with the aim to generate long-term sustainable growth in shareholder returns.

"What we like about CPI is its focus on high precision, high-value products. Its business strategy has consistently yielded higher margins and is more resilient to swings in economic cycles by catering to a diversified clientele," he added.

<http://www.bernama.com/bernama/v8/bu/newsbusiness.php?id=1436499>