
Hoa Sen Group to sell 11.9 million shares to raise funds

Wednesday, 14 Oct, 2009

Vietnam News Service reported that steel producer Hoa Sen Group will offer a maximum of 11.9 million shares to its strategic partners to raise funds for its iron plant. The company's management board approved the issuance at its irregular shareholders meeting last week. Shares will be offered at VND 960,000 each.

The group decided to sell 1 million shares to its staff for the same purpose as the above issuance. The shares will be sold at VND 30,000 each.

Mr Le Phuoc Vu chairman of Hoa Sen Group said that both issuances will be executed this year and at the latest on December 31st 2009. He added that "The number of shares will be listed on the HCM City Stock Exchange. Staff must retain the shares for six months."

During the irregular meeting, the company decided to invest in its iron producing factory and to raise its investment capital for the second phase to VND 1.8 trillion. The factory, located at Phu My I Industrial Park, has a total investment capital of VND 2.3 trillion.

At the previous shareholders meeting, Hoa Sen Group decided to issue VND 124.03 billion worth of convertible bonds in the factory. The bonds, expected to be issued in the fourth quarter, will be converted within a year. It has a coupon rate of 7%.

In September, the group earned VND 62.5 billion in after tax profit and a turnover of VND 241 billion.

(Sourced from www.vietnamnews.vnagency.com.vn)

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