

# Mega First buys into Jadi Imaging for 10% stake

Saturday July 17, 2010

By Joseph Chin, The Edge Malaysia

MEGA FIRST CORPORATION BHD [3069] (MFCB) has emerged as a substantial shareholder in JADI IMAGING HOLDINGS BHD [7223] with a 10% stake.

MFCB said it had on Friday, July 16 subscribed for the private placement of 61.46 million new shares, for total cash consideration of RM12.29 million.

Based on Jadi's paid-up of 614 million shares, this represents a 10% stake.

Jadi's main core businesses are the manufacturing and sale of toner for photocopiers and laser printers.

"The subscription was made with the intention of deriving dividend income and for potential capital gains. The subscription was funded by internally generated funds of MFCB group," MFCB said.

MFCB said the subscription will not have any effect on the issued and paid-up share capital, substantial shareholders' shareholdings, net assets and gearing of MFCB.

"There will be positive impact on the earnings and net assets of MFCB group for the financial year ending Dec 31, 2010 if Jadi declares dividends and if the subscription is completed and MFCB group still holds the placement shares on the entitlement date," it said.

Source: The Edge Malaysia.