

# M&A Securities to underwrite Vanzo's ACE Market IPO

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KUALA LUMPUR (Nov 8): Vanzo Holdings Bhd has signed an underwriting agreement with M&A Securities Sdn Bhd for its ACE Market listing.

In a statement on Friday, the air fragrance maker said the initial public offering (IPO) comprises a public issue of 93.35 million new shares and an offer for sale of 46.68 million existing shares, representing 20% and 10% of the enlarged share capital of Vanzo respectively.

M&A Securities will underwrite 46.68 million of the new issue shares, comprising 23.34 million shares from Vanzo's allocation to the general public and 23.34 million from its pink form allocations — the portion it sets aside for eligible directors and staff who had contributed to the company's success. The remaining 46.68 million new shares will be placed out to selected investors.

As for the offer for sale portion, 46.68 million shares will be allocated by way of private placement to selected investors and proceeds from the offering will accrue entirely to the selling shareholder Fragrance Century Sdn Bhd, owned by managing director Allan Wong Liang Tzer and executive director Michael Tan Chin Soon.

“This marks a significant milestone for Vanzo as we are taking a major step towards expanding our presence in the market. We believe that this partnership will not only enhance our growth trajectory but also enable us to bring our innovative air fragrance and fragrance-related products to a wider audience, further solidifying our position as a leader in the industry,” said Wong.

The IPO is scheduled to take place in the fourth quarter of 2024.

Vanzo designs, markets and sells 11 car and indoor fragrance products, ranging from air fresheners to scented candles, to retailers such as hypermarkets and convenience stores. The company also has five retail kiosks in five shopping malls in the Klang Valley.

According to its prospectus exposure, Vanzo plans to use the proceeds raised from IPO to partly finance the business expansion of new retail kiosks as well as marketing and promotion activities. The remainder of the proceeds will be used for repayment of bank borrowings, working capital and listing expenses.

For the financial year ended Sept 30, 2023, Vanzo made a net profit of RM5.1 million on the back of RM40.86 million in revenue.

M&A Securities is the IPO's principal adviser, sponsor, underwriter and placement agent, while Eco Asia Capital Advisory Sdn Bhd is the financial adviser.