

United Finance Co's RO 4.8m rights issue to open on July 19

MUSCAT — The RO 4.78 million rights issue of the United Finance Company (UFC) will open for subscription on July 19.

By A E James

With the rights offer, the capital base of the company would be enhanced by 50 per cent from RO 9.56 million to RO 14.34 million. The rights issue is offered in the ratio of one share for every two shares held, said Raghavan Murthi, Chief Executive Officer (CEO) of the finance firm. The Capital Market Authority (CMA) has approved the rights issue, which will close on August 2.

The purpose of the issue, which will be priced at RO 1 per share, is to raise funds for regional expansion through joint ventures and for working capital requirements, he noted.

Of the total proceeds of the rights issue, RO 2.5 million will be used for floating a

Emirates (UAE) and one is from Kuwait.

UFC has achieved a 44.4 per cent growth in net profit at RO 1.86 million for 2004 as compared to RO 1.29 million recorded in the previous year. In view of the remarkable performance, the board has recommended 10 per cent cash dividend and 10 per cent stock dividend.

The company has posted basic earnings per share of 221 baiza by end-2004 as compared to 200 baiza for the previous year.

The total income of the company touched RO 5.41 million for last year as against RO 5.26 million recorded in 2003. The net worth of the company is ruling higher at RO 11.98 million for last year as compared to RO 9.05 million for the previous year. UFC has recorded a net installment finance income at RO 3.89 million for last year.

OMAN DAILY BRISIA VIA

06 - 07 - 2005