

**Company Name** : China Stationery Limited  
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## Potential Local Buying Lifts CSL Shares

**KUALA LUMPUR:** Trading interest in China Stationery Ltd (CSL) spiked, as investors' speculation on who purchased 9.65 per cent of the company's shares yesterday provided some buying momentum.

Trading volume doubled to 43.46 million shares, as opposed to the 20.7 million CSL shares traded the previous Friday.

While the sellers of the CSL shares were known, dealers said curiosity on the potential buyer helped the share prices close 0.5 sen higher at 28.5 sen a share.

"If the buyer is Malaysian and prominent, CSL shares could run up," said dealers, adding that the investing public's cautiousness on China-based stocks will likely cap gains until a clearer picture emerges.



Also, the manner in which CSL's major shareholder, Lead Champion Group Ltd, has been reducing its stake has raised some concern.

Yesterday it disposed of 120 million CSL shares for a total amount of RM36 million or 30 sen apiece.

Lead Champion is an entity controlled by CSL executive chairman Chan Fung@Kwan Wing Yin and executive director Angus Kwan Chun Jut.

The duo have been net sellers this year, resulting in Lead Champion's stake in CSL being reduced by as much as 26.54 per cent to 45.3 per cent, from 71.84 per cent in January this year.

Disposal of shares in large amount by controlling shareholders is considered unusual, given that CSL has been profitable since listing and holds nearly RM1 billion of cash in its coffer.

CSL is an integrated plastic stationery company that is based in China and went public on February last year with 95 sen apiece.