

## RETAILING

# PPM's Stargate unit to build mall in Nakhon Pathom

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The MAI-listed Porn Prom Metal Plc (PPM), a distributor of industrial raw materials and construction materials, has diversified into retail and property, with plans to build a 185-million-baht community mall in Nakhon Pathom.

Deputy managing director Kanokkorn Tankaisorn said PPM has set up a new subsidiary named Stargate with registered capital of 4 million baht to oversee the group's community mall and property management business.

"This subsidiary will handle the property business unit of PPM, which has the community mall as its first project," she said.

The mall, on 18 rai in tambon Salaya, will cover 6,000 square metres and comprise more than 50 shops targeting middle-class customers. It is due to open in the fourth quarter.

PPM has hired property agency Colliers

International Thailand to find tenants for the shops.

Mrs Kanokkorn said the mall is expected to break even within six years.

PPM's main business is the distribution of steel, copper and aluminium materials for factories and construction, contributing 80-90% of its annual revenue.

PPM also plans to spend 100 million baht to invest in the packaging business.

The company projects its revenue to grow to more than 2 billion baht this year, a rise from 1.48 billion in 2012.

At the end of last year, the company posted a net profit of 58.6 million baht, up from 27.6 million in 2011.

"PPM will try its best this year to raise sales," said Mrs Kanokkorn. "But more importantly, we are committed to maintaining a gross profit margin of 10-12% a year."

Shares of PPM closed yesterday on the MAI at 4.72 baht, up eight satang, in trade worth 1.2 million baht.