



IPO STATISTICS

IPO Price (RM)	1.36 for retail offering Institutional price to be determined by bookbuilding
Fund Raised (RM million) <i>Based on retail price of RM1.36</i>	104.73 from new issue Up to 36.53 from offer for sale Total: Up to 141.08
Enlarged issued share capital upon listing (million)	358.18
IPO Market Capitalisation (RM million)	487.12
Price Earnings Ratio	32.4x

Use of Proceed (RM)104.73 million from new issue



BUSINESS OVERVIEW

Business Activities

Atech Group is an electronics manufacturing service (EMS) provider focusing on electronic products. During the FYE 31 January 2020, the company expanded into the manufacturing of semiconductor components comprising multicomponent integrated circuit (IC) for Internet of things (IoT) applications and the mass production of these semiconductor components commenced during the FYE 31 January 2021.

As an electronic manufacturing services (EMS) provider, Atech Group offers a range of contract manufacturing services including engineering support services, prototyping, board assembly, mechanical assembly, testing, labelling, packaging and direct shipment fulfillment. Atech Group provides EMS for printed circuit board assembly (PCBA), subassemblies, box build and system build products.

Products Contribution

- Communications and IoT products (89.5%)
- Electronic devices (9.4%)
- Semiconductor components (1.0%)

Based on FYE 31 January 2021 revenue

Principal Markets

- Asia Pacific (RM176.31 mil or 48.7%)
- Americas (RM155.86 mil or 43.0%)
- Europe (RM30.00 mil or 8.3%)

Based on FYE 31 January 2021 revenue

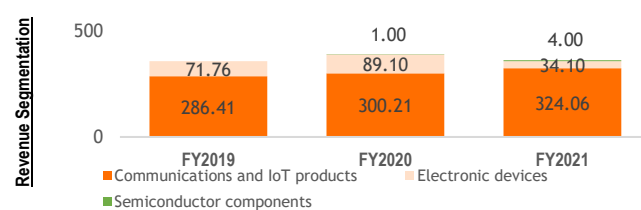
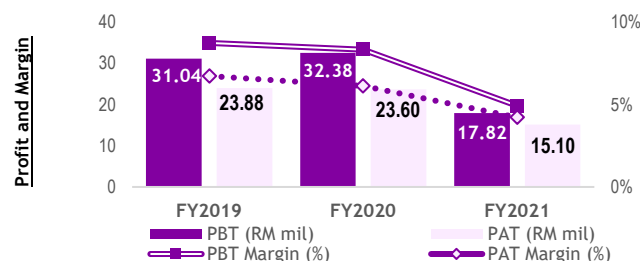
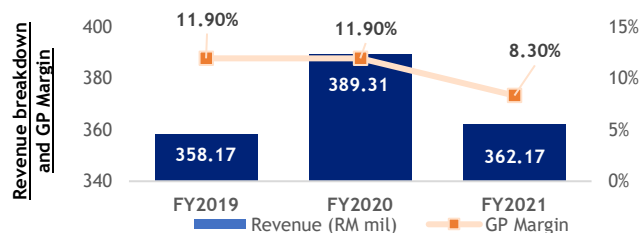
R&D Involvement

- Emphasis on own strength in providing engineering support to customers where involvement in design is mainly to facilitate product manufacturability and testability.
- Experience in assisting design work offers additional knowledge, skill and experience
- Part of engineering support services included development of test system
- Also involved in design and manufacture own brand of LED lighting, and plan to develop a new lithium-ion battery pack system for light vehicles
- R&D expenditure accounted for less than 1% of revenue

GROWTH STRATEGIES AND FUTURE PLANS

- Expansion into semiconductor component manufacturing
- Expansion of production facilities via construction of new manufacturing plant and purchase of new machinery and equipment
- Upgrade manufacturing facilities towards Industry 4.0
- Introduction of new product - lithium-ion battery pack system

FINANCIAL PERFORMANCE & PEER ANALYSIS



Peer Analysis

Company	NP Margin (%)	PER (x)
ATA IMS Berhad	3.6	6.90
V.S. Industry Berhad	3.2	22.56
Inari Amertron Berhad	23.1	38.50
EG Industries Berhad	1.3	10.25
P.I.E. Industrial Berhad	6.6	20.62
ATech Group	4.2	32.40
JHM Consolidation Berhad	8.5	33.33
Salutica Berhad	Loss making	N.A.
Boustead Heavy Industries Corporation Berhad	Loss making	N.A.

* Peers listed on Bursa Malaysia only. NP margin based on prospectus. Trailing 12 month PER data from Bloomberg at time of research except for ATech at IPO

PROMOTERS & SUBSTANTIAL SHAREHOLDERS

Promoter/ Substantial Shareholder	Designation	Shareholding after IPO	
		Direct	Indirect
Main Stream Holdings Sdn Bhd	Promoter and substantial shareholder	71.0%	-
Lee Chong Yeow @ Lee Chong Yan	Promoter and substantial shareholder Non-Independent Executive Director and Group CEO	-	71.0%
Loh Hock Chiang	Promoter and substantial shareholder Non-Independent Executive Director and Group CFO	-	71.0%
Main Stream Limited	Substantial shareholder	-	71.0%

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