

IPO FACTSHEET



SENG FONG HOLDINGS BERHAD (5308)

MAIN MARKET | 7 JULY 2022 | INDUSTRIAL PRODUCTS & SERVICES

IPO STATISTICS

IPO Price (RM)	0.75
Fund Raised (RM million)	68.11 from new issue 52.54 from offer for sale Total: 120.65
Enlarged issued share capital upon listing (million shares)	518.96
IPO Market Capitalisation (RM million)	389.22
Price Earnings Ratio (PER)	11.2x

Use of Proceed (RM)68.11 million from new issue)



- Working capital
- Repayment of bank borrowings
- Installation of biomass system
- Estimated listing expenses

BUSINESS OVERVIEW

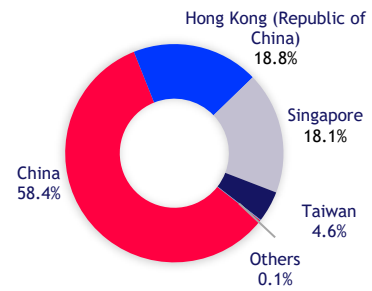
Business Activities

Seng Fong is principally involved in the processing of cup lump into block rubber, an intermediate product which is sold to downstream rubber manufacturers such as manufacturers of tyres, vehicle parts and industrial rubber products, as well as rubber traders. It produces mainly Standard Malaysia Rubber (SMR) Grade and Premium Grade block rubber.

The Group owns and operates a rubber processing business in Gemas, Negeri Sembilan, comprising three factories with a total production capacity of approximately 142,000 metric tonnes (MTS) per year. In FY2021, its capacity utilisation rate was 85.8%.

To meet customers' demand, Seng Fong also trades block rubber based on the specification requested by its customers that are currently not produced in its factories, such as Cambodia Standard Rubber (CSR) and Standard Guatemalan Rubber (SGR).

Principal Markets (FY2021 Revenue)



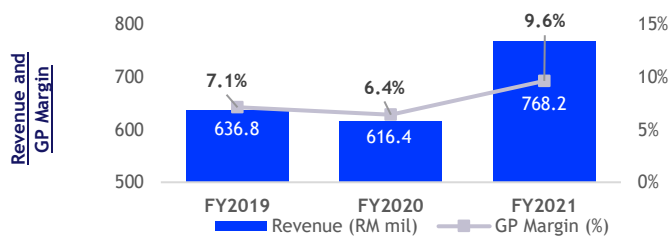
Competitive Strength

- Established history and track record, with over 36 years of experience in the rubber processing industry
- Export-oriented business and long-standing relationships with its customers. Its FY2021 revenue is entirely made up of export sales
- Product quality attested by stringent quality control measures and compliance to internationally recognised standards
- Developed and maintained long-term business relationships with its suppliers
- Technically strong and experienced management team

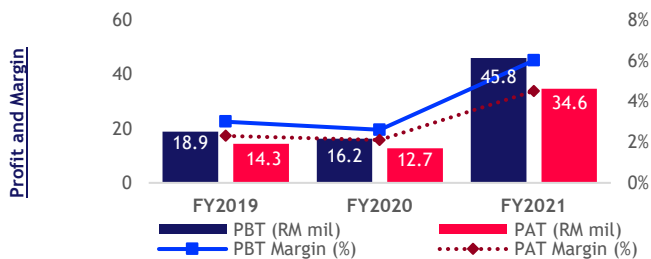
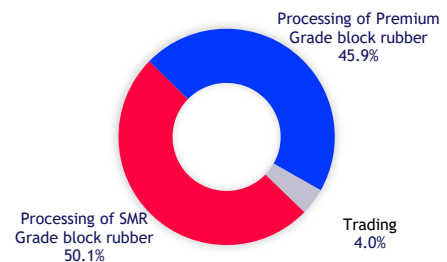
GROWTH STRATEGIES AND FUTURE PLANS

- Optimise its production by increasing its total annual capacity to approximately 166,000 MTS per year by FY2023
- Increase profitability by reducing electricity expenses through the installation of solar system to supply electricity to its factories
- Increase profitability by reducing diesel expenses through the installation of biomass system

FINANCIAL PERFORMANCE & PEER ANALYSIS



Revenue Segmentation (FY2021)



Peer Analysis

No known public listed company on Bursa Malaysia that is directly comparable

PROMOTERS & SUBSTANTIAL SHAREHOLDERS

Promoter/ Substantial Shareholder	Designation	Shareholding after IPO	
		Direct	Indirect
Sumber Panji Sdn Bhd	Promoter and substantial shareholder. Investment holding	59.3%	-
Er Hock Lai	Promoter and substantial shareholder. Managing Director	negligible	59.3%
E Tak Bin	Promoter and substantial shareholder. Non-Independent Executive Director	6.9%	-
Er Tzer Nam	Promoter. Non-Independent Executive Director	0.1%	-
Er Jin Hoo	Promoter	-	-

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