

29 January 2010

IPO Fact Sheet

Sin Heng Heavy Machinery Ltd

ISSUE STATISTICS

Board

Offer Size: 88.0m new shares + 80.0m vendor shares

Placement Tranche: 158.4m shares

Public Tranche: 9.6m shares

Price: S\$0.26

NAV per Share (post-IPO): S\$0.1577

Historical PE: 4.4x

Market Cap (Post-IPO): S\$119.5m

Open: 26 Jan 2010

Close: 1 Feb 2010, 12.00 noon

Trading: 3 Feb 2010 (on "ready" basis)

Lead Manager: DBS

Revenue	S\$'000	yoy % chg
FY08	131,833	+59.3
FY09	136,986	+3.9
Net profit	S\$'000	yoy % chg
FY08	17,163	+87.0
FY09	21,982	+28.1

Background

Sin Heng Heavy Machinery Limited is one of the leading heavy lifting service providers in Singapore. Its clients are those in the infrastructure and geotechnical, construction, offshore and marine, as well as oil and gas industries. The company's core business activities are rental and trading of cranes and aerial lifts. It also undertakes the sales and distribution of spare parts for cranes and aerial lifts. Its crane fleet is focused on the mid- to high-lifting capacity segment, well complemented by its aerial lift fleet. The company has a fleet of 88 cranes and 213 aerial lifts. For FY09, its equipment rental as well as trading businesses contributed approximately 24.3% and 75.7% of its total revenue, respectively.

Business Strategies and Future Plans:

- Renewal and expansion of its equipment rental fleet in Singapore to target a large customer base and provide more complementary products.
- Expansion of its business and operations through acquisitions, JVs and/or strategic alliances.
- Expansion of its equipment rental fleets in Malaysia and Vietnam.

Use of Proceeds

After deducting the expenses incurred for the initial public offering (IPO), Sin Heng Heavy Machinery Limited's net proceeds would amount to approximately S\$21.6m. The gross proceeds are intended for:

Use of Gross Proceeds	S\$ '000	% of Gross Proceeds
To fund the renewal and expansion of equipment rental fleet in Singapore	10,000	43.71
To fund potential acquisitions, JVs and/or strategic alliances	2,000	8.74
To fund the expansion of equipment rental fleets in Malaysia and Vietnam	5,000	21.85
To fund the general working capital requirements of the Group	4,553.8	19.9
To pay expenses incurred in connection with the IPO	1,326.2	5.8
Gross proceeds	22,880.0	100

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