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**For Immediate Release**

## **AMTEK ENGINEERING LTD LAUNCHES INITIAL PUBLIC OFFERING**

- Offering in respect of 200,000,000 Offering Shares at S\$1.30 per Offering Share
- IPO to raise gross proceeds of S\$299 million (assuming over-allotment option granted by Vendor is fully exercised)
- Public Offer opens at 5.00 p.m. on Wednesday, 24 November 2010 and closes at 8.00 a.m. on Monday, 29 November 2010

*Singapore, 24 November 2010* – Amtek Engineering Ltd (“**Amtek**”), a provider of end-to-end design and manufacturing solutions for precision components, casing and enclosures, has registered its prospectus with the Monetary Authority of Singapore today, in connection with the initial public offering of shares in Amtek by its sole shareholder, Metcomp Holdings.

Metcomp Holdings (the “**Vendor**”) is making an offering of 200,000,000 Shares (the “**Offering Shares**”) for purchase by investors at S\$1.30 per Offering Share (the “**Offering Price**”). The Offering comprises:

- (i) an international placement of 180,000,000 Offering Shares (the “**International Offering**”) to investors, including institutional and other investors in Singapore, and
- (ii) an offering of 20,000,000 Offering Shares to the public in Singapore (the “**Singapore Public Offer**”, and together with the International Offering, the “**Offering**”). Up to 1,500,000 Offering Shares under the Singapore Public Offer have been reserved for purchase by the Directors, management, employees and business associates of the Amtek Group.

The Vendor has granted the stabilising manager, on behalf of the underwriters, an over-allotment option for an additional 30,000,000 Shares (the “**Over-allotment Option**”).

Mr Daniel Yeong Bou Wai, Chairman and Chief Executive Officer of Amtek Engineering Ltd, said, “Leveraging on our 40-year history and strategic repositioning since our privatisation in 2007, Amtek is pleased to be returning to the market as a stronger entity. With our expanded capabilities, Amtek today offers end-to-end design and manufacturing solutions to customers worldwide. We believe we are well-poised to benefit from the increasing trend towards manufacturing supply chain outsourcing.”

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**Business operations and competitive strengths**

Established since 1970, Amtek's core expertise is in the manufacturing of highly complex precision metal, plastic and rubber components, supported by comprehensive tool and die and mould making capabilities. Since 2007, after a group (including affiliates of Standard Chartered Private Equity Limited, Metcomp Group Holdings and its current management) completed its acquisition of Amtek, the current management has strategically repositioned the Group and implemented a number of operational, strategic and organisational changes that helped strengthen the competitive position and financial performance of the Group.

Today, it possesses a wide range of design and manufacturing capabilities that enables it to provide end-to-end manufacturing solutions to its customers. Such solutions include product design, engineering, manufacturing, finishing and sub-assembly.

With its comprehensive range of processes for complex precision metal manufacturing, Amtek has the capability to help existing and prospective customers who increasingly seek to outsource complex manufacturing parts including metal and plastic combinations and processes to reliable commercial partners. Amtek believes that its provision of a full range of complex precision metal manufacturing processes, including precision stamping, progressive cold forging and laser welding are more cost-efficient and provide a higher degree of precision and quality than other manufacturing processes.

In addition, Amtek has a diversified and loyal customer base of over 100 customers, the majority of which are major multinational companies across six main industry sectors including casings and enclosures, mass storage, consumer electronics, automotive, electrical and electronic components, and imaging and printing. The Group has developed very close, long-term relationships with its customers, with 26 of its top 30 customers having been with the company for more than 5 years<sup>1</sup>. The breadth of industry coverage and strong relationships with its customers provides opportunities to expand cross-selling efforts and helps mitigate specific downturns in any one industry and any potential adverse conditions in an economic downturn. With manufacturing facilities in eight countries across Asia and Europe that are globally-coordinated, the Group's global network offers its customers the flexibility to choose from different manufacturing locations and meet their outsourcing needs across various geographic locations, hence increasing the scalability of its business.

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<sup>1</sup> As at 30 June 2010



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### **Growth prospects and strategies**

Global manufacturing is beginning to show signs of recovery after falling in 2008 and 2009 due to the global economic crisis. Manufacturing outsourcing has emerged as a result of large multinational enterprises pursuing lean manufacturing strategies and avoiding high levels of vertical integration and capital investments, as outsourcing part or all of the manufacturing supply chain functions has become a critical component of many companies' business strategies worldwide. Offering flexibility, cost effectiveness and the ability to perform tasks consistently and reliably, Amtek believes it is well-positioned to benefit from the increasing trend towards manufacturing outsourcing in the end markets in which it operates.

Led by a strong and experienced management team, Amtek aims to leverage on its strengths to maintain and build on its existing customer relationships and cultivate new customer relationships to position itself as a leading provider of end-to-end manufacturing solutions, via the following strategies:

- Expand its offerings to be the manufacturer of choice for its clients: by continuing to improve manufacturing capabilities and processes, seeking and implementing new technologies, and considering potential acquisitions
- Leverage its offerings and relationships to cross-sell additional solutions to existing customers: by leveraging existing customer relationships to offer complementary services and solutions, and engaging customers globally and cross-selling additional services across customers' other industry sectors
- Increase the number of customers using end-to-end solutions: by continuing to offer value-added services such as design and product development to existing customers, and increasing marketing efforts to acquire new customers
- Enhance customer and end markets diversity by developing new offerings and expanding into new industries: by developing tailored solutions for specific industries and expand customer and end market diversity, and increase customer base and developing solutions for other end markets where manufacturing outsourcing has been more limited.

### **Use of proceeds**

Based on the Offering Price of S\$1.30 per share, the Vendor expects to raise gross proceeds of approximately S\$260 million (US\$201 million) from the offering of 200,000,000 Offering Shares. If the

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Over-allotment Option is fully exercised, the Vendor expects to raise gross proceeds of approximately S\$299 million (US\$231 million).

Amtek will not receive any of the proceeds from the Offering, save for the repayment of the loan of US\$52.7 million (S\$68.2 million) owed by the Vendor to Amtek (the “**Vendor Loan**”) immediately prior to Listing. The Group plans to use the US\$52.7 million (S\$68.2 million) received upon repayment of the Vendor Loan primarily as follows:

- Approximately US\$25.0 million (S\$32.4 million) to repay a portion of a credit facility;
- Approximately US\$25.0 million (S\$32.4 million) to fund capital expenditures; and
- Approximately US\$2.7 million (S\$3.5 million) for Listing expenses and working capital.

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**About Amtek**

Amtek Engineering Ltd and its subsidiaries (“Group”) provides customers with end-to-end design and manufacturing solutions for precision components, casings and enclosures.

Over its 40-year history, the Group has built long-term, strategic relationships with its customers, which consists of over 100 companies spread across a wide range of industry sectors including servers and networking equipment, mass storage, consumer electronics, automotive, electrical and electronic components, and imaging and printing.

The Group has manufacturing facilities in eight countries across Asia and Europe that are globally-coordinated and offer customers the flexibility to choose from different manufacturing locations.

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The information and views expressed herein are based on, and qualified in their entirety by information found in the prospectus dated 24 November 2010 (the "**Prospectus**") issued by Amtek Engineering Ltd. Copies of the Prospectus and the application forms, subject to availability, are available at Amtek's booth at Raffles Place, DBS Bank's booth at Shenton Way Branch, DBS Building Tower Two or Standard Chartered Bank, 6 Battery Road branch from 24 to 26 November 2010. The Prospectus and application forms are also available for collection, subject to availability, from members of the Association of Banks in Singapore, members of the Singapore Exchange Securities Trading Limited and merchant banks in Singapore who are respectively involved in the distribution of the Prospectus in Singapore. Anyone wishing to acquire the securities will need to make an application in the manner set out in the Prospectus.

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