

### Seremban Engineering to expand production capacity after IPO

- Expansion plan includes new equipment and machines, as well as new production facility in Rawang
- RHB Investment Bank Berhad appointed adviser, sole underwriter and placement agent
- IPO to raise about RM17 million for the SEB Group, mainly for CAPEX

**Kuala Lumpur, 31 March 2010**

Seremban Engineering Berhad (“SEB”, “the SEB Group”, “芙蓉工程”), a process equipment fabricator, plans to expand its production capacity further after its flotation exercise.



*(From left) Peter Wong, Managing Director of SEB, Dato Abdullah Mat Noh, Chairman of RHB Investment Bank, Tan Sri Ahmad Fuzi, Chairman of SEB, Chay Wai Leong, Managing Director of RHB Investment Bank, and Tan Ah Bah, Managing Director of Success Transformer Corporation Berhad*

SEB plans to raise about RM17.0 million from its Initial Public Offering (“IPO”) on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), and use about half of the proceeds to fund part of the SEB Group’s capital expenditure (“CAPEX”) in financial year ending 31 December 2010.

“We plan to use RM9.0 million from the IPO proceeds to invest in new fabrication equipment and machines in order to improve our Group’s fabrication capabilities. To this end, we will purchase new precision cutting equipment, as well as new machines that effectively allow us to perform in-house some of our production processes that were traditionally outsourced in the past.

In addition, we will expand our production capacity by constructing a new facility on the recently-purchased land in Rawang, measuring about 1.68 acres. The new facility will cost us about RM3.3 million, which will be financed by our internally-generated funds and borrowings.”

**Penny Wong (“王呼娜”)**  
**Executive Director, Seremban Engineering Berhad**



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In conjunction with the IPO exercise, SEB today signed an underwriting agreement with its adviser, sole underwriter and placement agent - RHB Investment Bank Berhad ("RHB Investment Bank").

The underwriting agreement was signed by Chay Wai Leong ("謝璋良")- Managing Director of RHB Investment Bank, Peter Wong ("王志堅") – Managing Director of sEB, and Tan Ah Bah @ Tan Ah Ping ("陈珩宾") – Managing Director of Success Transformer Corporation Berhad ("Success"), the holding company of SEB.

"The RHB Banking Group is proud to be associated with the SEB Group as the company has developed a reputation and proven track record as an established player in the metal fabrication industry in Malaysia and has been accredited with safety and quality standard certifications established by internationally recognised bodies."

**Dato' Abdullah Mat Noh,  
Chairman, RHB Investment Bank Berhad**

Started in 1979 as a metal works and machining company for the automobile industry, SEB is now a leading fabricator of process equipment and metal structure and is currently a wholly-owned subsidiary of Success Transformer Corporation Berhad, a company listed on the Main Market of Bursa Malaysia.

The SEB Group fabricates pressure vessels, non-pressurized tanks, heat exchangers, steel structure, as well as piping and ducting systems, for varied industries of palm oil refinery, food processing, glove manufacturing, waste management, to name just a few. The Group also provides maintenance and shutdown services for these sectors.

SEB's IPO entails a total issue of 28.0 million shares of RM0.50 each, comprising a public issue of 19.9 million new ordinary shares, and a restricted offer-for-sale issue of 8.1 million vendor shares from Success.

Of the 28.0 million new and vendor shares, 8.0 million shares will be allocated for a renounceable restricted offering to existing shareholders of Success on a basis of one-for-fifteen (1-for-15), 3.5 million shares for eligible directors, employees and business associates of the SEB Group, 10.0 million shares for Bumiputera investors approved by the Ministry of International Trade and Industry for application, and 6.5 million shares for the Malaysian public.

The IPO will raise about RM16.9 million for the SEB Group and RM6.9 million for Success.

SEB targets to list in the second quarter of 2010.

*Issued on behalf of RHB Bank Berhad by Group Corporate Communications Division, RHB Capital Berhad. For more information, please call Eza Dzul Karnain at 012-3420060 or Sandra Foo at 012-3188412.*

### *About the RHB Banking Group*

*The RHB Banking Group is the fourth largest fully integrated financial services group in Malaysia. The Group's core businesses are streamlined into four Strategic Business Units (SBUs): Retail Banking, Corporate & Investment Banking, Islamic Banking and International Banking. These businesses are offered through its main subsidiaries – RHB Bank Berhad, RHB Investment Bank Berhad, RHB Insurance Berhad and RHB Islamic Bank Berhad, while its asset management and unit trust businesses are held under RHB Investment Management Berhad. RHB's International Banking Division include the commercial banking operations in Singapore, Thailand and Brunei. The Group also has a non-ringgit based offshore funding operations in Labuan as well as a representative office in Vietnam. It is the RHB Banking Group's aspiration to deliver superior customer experience and shareholder value; and be recognised as one of the top financial services groups in ASEAN.*

*It's time we simplify banking.*

*About Seremban Engineering Berhad (SEB)*

[www.sesb98.com.my](http://www.sesb98.com.my)



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*Founded in 1979, SEB started with precision machining works for the automotive industry, such as regrinding of crankshaft, reboring of cylinder blocks, skimming of cylinder heads, and rebushing of cylinder head valve seats.*

*In 1991, the SEB Group realigned its business to specialize in fabrication of wide-ranging process equipment and metal structure, such as pressure vessels, non-pressurized tanks, heat exchangers, steel structure, as well as piping and ducting systems, for varied industries of palm oil refinery, food processing, glove manufacturing, waste management, to name just a few. The Group also provides maintenance and shutdown services for these sectors.*

*In March 2007, SEB became a 60% subsidiary of the Main Market-listed Success Transformer Corporation Berhad when the latter acquired SEB. About a year later, Success acquired the balance 40%, making SEB their wholly-owned subsidiary.*