

ECONPILE HOLDINGS BERHAD

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PRESS RELEASE

Econpile IPO 35.4 times oversubscribed

- *Piling and foundation specialist records RM24.6 million net profit in 9m14, sets 20% dividend policy*
- *To list on Main Market of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) on 30 June 2014*

Kuala Lumpur, Malaysia, 20 June 2014 – Econpile Holdings Berhad (“Econpile”, “亿钢控股有限公司”, “the Group”), a piling and foundation specialist in Malaysia, garnered strong interest for its Initial Public Offering (IPO) on the Main Market of Bursa Malaysia with its public tranche oversubscribed by 35.4 times.

Econpile received a total of 24,663 applications for 982.7 million shares with a total value of RM530.7 million, for the public tranche of 27.0 million shares under the Group’s IPO.

“The oversubscription for our IPO signifies the investing community’s vote of confidence towards our business and growth potential in the years ahead.

As a reputed piling and foundation specialist in Malaysia, we are well-poised to benefit from continued strong activity in the domestic construction industry.

We look forward to becoming a listed entity at the end of the month, and creating shareholders’ value through improving fundamentals and dividends.”

Raymond Pang (“潘沙”)

Executive Director/Group Chief Executive Officer, Econpile Holdings

Econpile is scheduled to list on the Main Market of Bursa Malaysia on 30 June 2014.

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Econpile posted net profit of RM5.5 million for the third quarter ended 31 March 2014 (3Q14), on group revenue of RM87.6 million. Cumulatively, **Econpile** posted net profit of RM24.6 million for the nine-month period ended 31 March 2014 (9m14), on the back of RM318.9 million group revenue.

This compares favourably with **Econpile's** FY2013 net profit of RM27.9 million and group revenue of RM386.1 million.

In its prospectus, **Econpile** also announced a dividend policy of distributing minimum 20% of its net profit to shareholders.

As at 15 April 2014, **Econpile's** orderbook stood at RM450 million, slated for delivery to the infrastructure and property development sectors within six to eighteen months.

Econpile's IPO entails the public issue of 90.0 million new ordinary shares and an offer-for-sale of 55.0 million vendor shares, at an issue price of RM0.54 per share.

Of the public issue of 90.0 million new ordinary shares, 27.0 million are allocated for public balloting; 3.5 million for eligible directors, employees, and business associates of the Group; and the remaining 59.5 million for private placement to selected investors.

The 55.0 million vendor shares are made available for private placement to Bumiputera Investors approved by the Ministry of International Trade and Industry.

Econpile's IPO raised RM48.60 million in proceeds for the Group, of which RM14.58 million will be allocated for the purchase of machinery and equipment, and RM18.16 million for working capital. The remaining proceeds of RM12.15 million and RM3.71 million will be used for repayment of bank borrowings and listing expenses respectively.

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About Econpile Holdings Berhad (www.econpile.com.my)

Founded by Group Managing Director Mr The Cheng Eng in 1987, **Econpile** is a piling and foundation specialist in Malaysia providing piling solutions and foundation works, which includes earth retaining systems, earthworks, substructure and basement construction works.

Econpile has a full range of piling (bored piling, driven piles and jack-in piles) and foundation works. **Econpile** serves the property development and infrastructure sectors, having been involved in the construction of bridges, elevated highways, electrified-double tracking projects and power plants.

To date, **Econpile** has successfully undertaken numerous piling and foundation projects nationwide, including the Klang Valley, Penang, Johor, Pahang, Sabah and Sarawak.

Econpile holds a Grade 7 License from the Construction Industry Development Board of Malaysia, which allows the Group to tender for projects of unlimited values in the categories of piling, construction, and infrastructure works.

Issued for and on behalf of ECONPILE HOLDINGS BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd.

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