

SAM Engineering & Equipment (M) Berhad

Meeting with CIMB

28 July 2022



Safe Harbour

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Agenda

- Overview of SAMEE Group
- The Transformation
- Financial Highlights
- The Path Forward



Overview of SAMEE Group



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Proprietary Information of SAM

SAM Engineering and Equipment (M) Berhad (“SAMEE”)



Key facts of SAM Engineering & Equipment Berhad (“SAMEE”)

- A subsidiary of Singapore Aerospace Manufacturing Pte Ltd
- Listed in the Main Board of Bursa Malaysia (KLSE: 9822) – Formerly known as LKT Industrial Berhad
- Key player in the aerospace and equipment industries



SAM Engineering and Equipment (M) Berhad (“SAMEE”)



SAMEE Group

FY22 Revenue : RM 1.15B
Total workforce > 1,600



Proprietary Information of SAM

SAMEE Factory locations



Malaysia



Special Process



Equipment Integration



Prismatic



Nacelle Beams



Engine Cases

SAMEE
Corporate



Thailand



Equipment Integration



Equipment Integration



Singapore



Engine Cases



Engine Cases

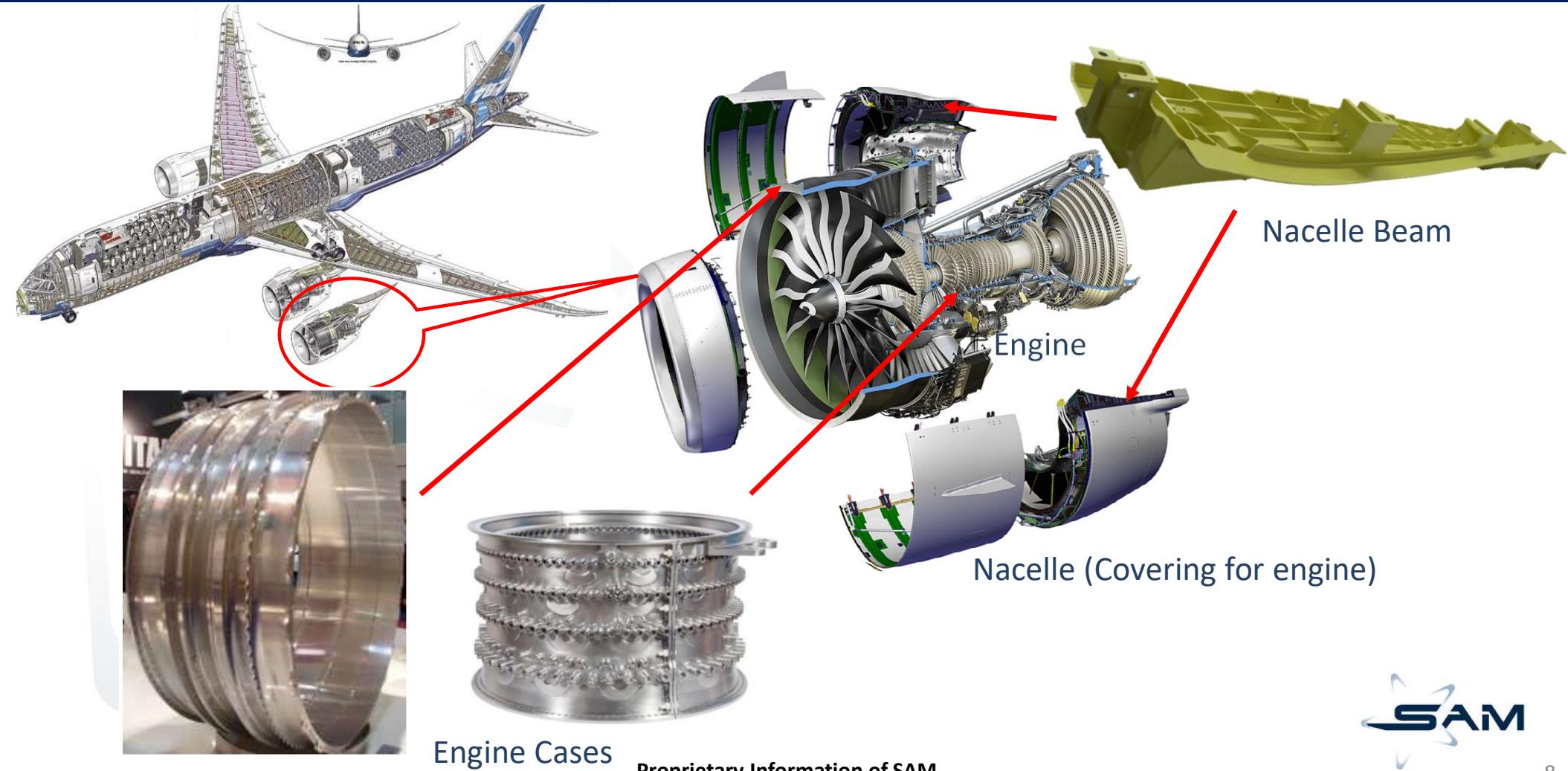


New Factory

Proprietary Information of SAM



Aerospace Products



Proprietary Information of SAM



Aircraft Programs



Single Aisle Aircraft

- A220
- A320ceo/neo
- B737 Max
- C919

Twin Aisle Aircraft

- A350
- B777/X
- B787

Regional Aircraft

- Embraer E2 190/195
- Bombardier CRJ700/900
- Gulfstream G200
- Dassault Falcon 200EX
- AVIC ARJ21

Equipment Business

Our Equipment business is largely generated from:

Semiconductor

- Front End
- Back End



Storage Devices

- Solid State Drive
- Hard Disk Drive

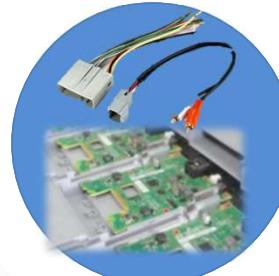


Equipment Business

Small/Med Machining



PCBA/Wire Harness



Large Machining



Frame/Panel



Integration, Assembly & Test



Proprietary Information of SAM



PRODUCTION FLOOR – Class 10k Clean Room Assembly

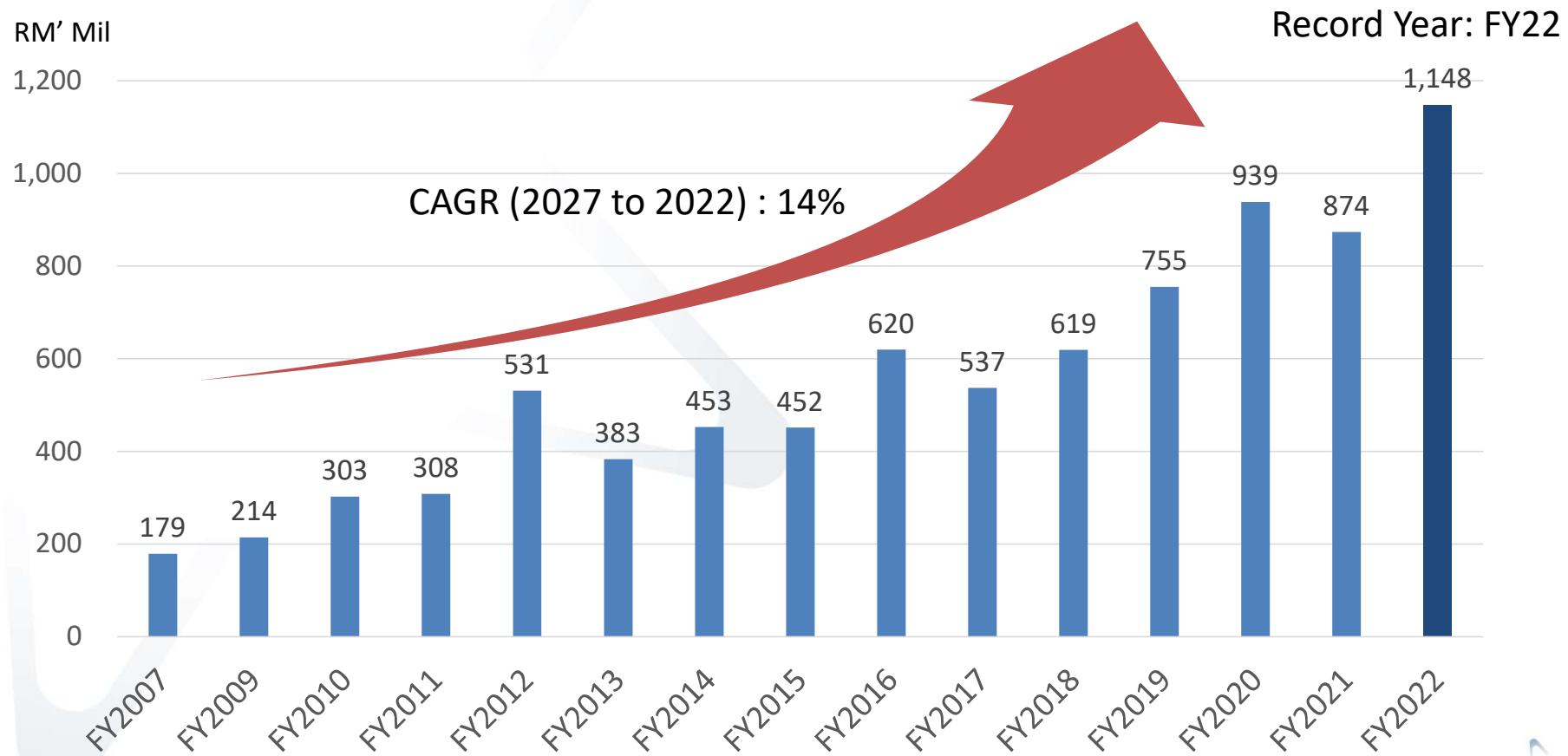
Our Growth Journey

Our Key Strategies

1. Focus on our core competence
 - Complex 5-axis machining and System integration
2. Focus on high value-add and high entry barrier products
3. Build complementary businesses to mitigate cyclical risk
4. Achieve critical mass in each business



Revenue Growth

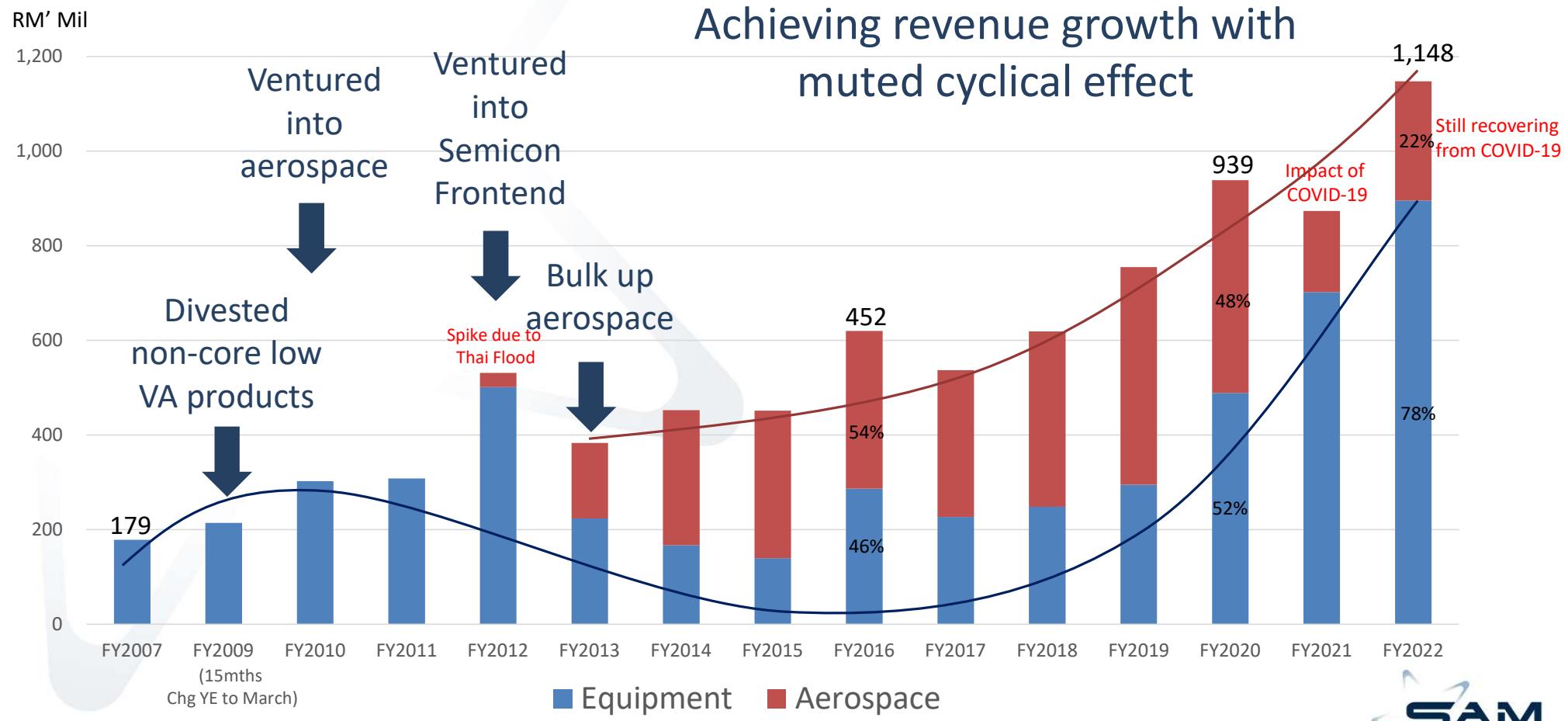


Note: FY2009 (15 months results due to change in Financial Year End)



Proprietary Information of SAM

The Transformation Effects

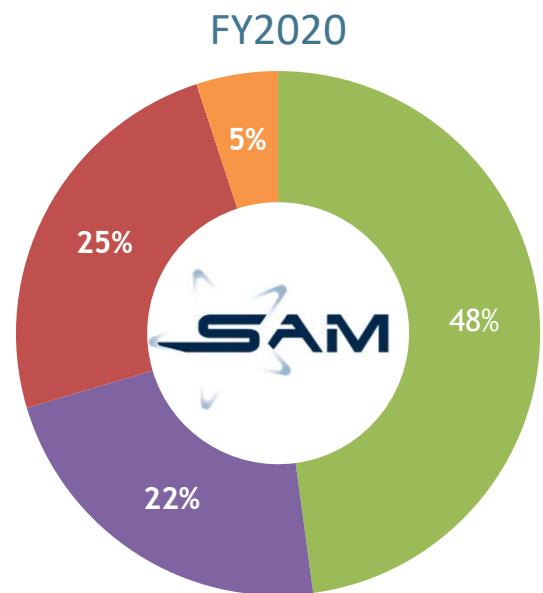
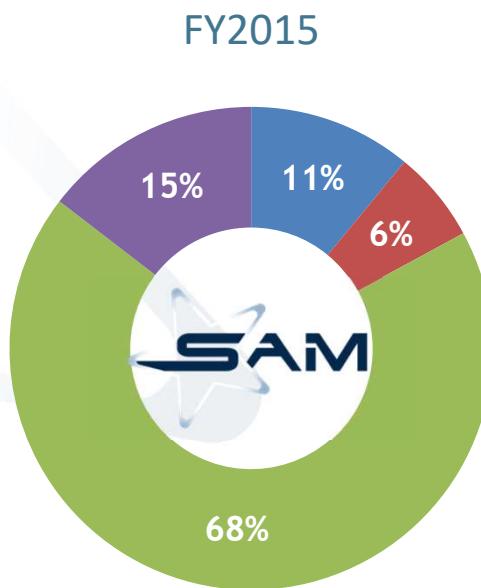
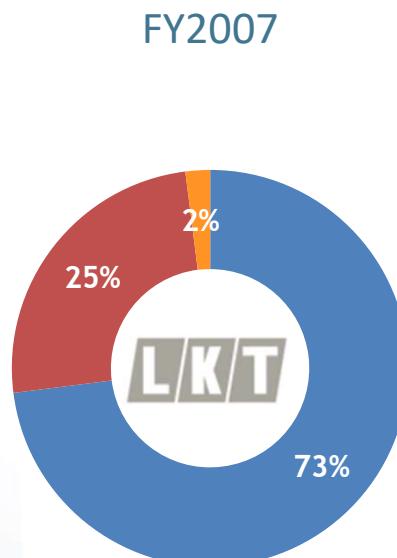


Proprietary Information of SAM



The Transformation

- A more diversified engineering group with high value products and solutions



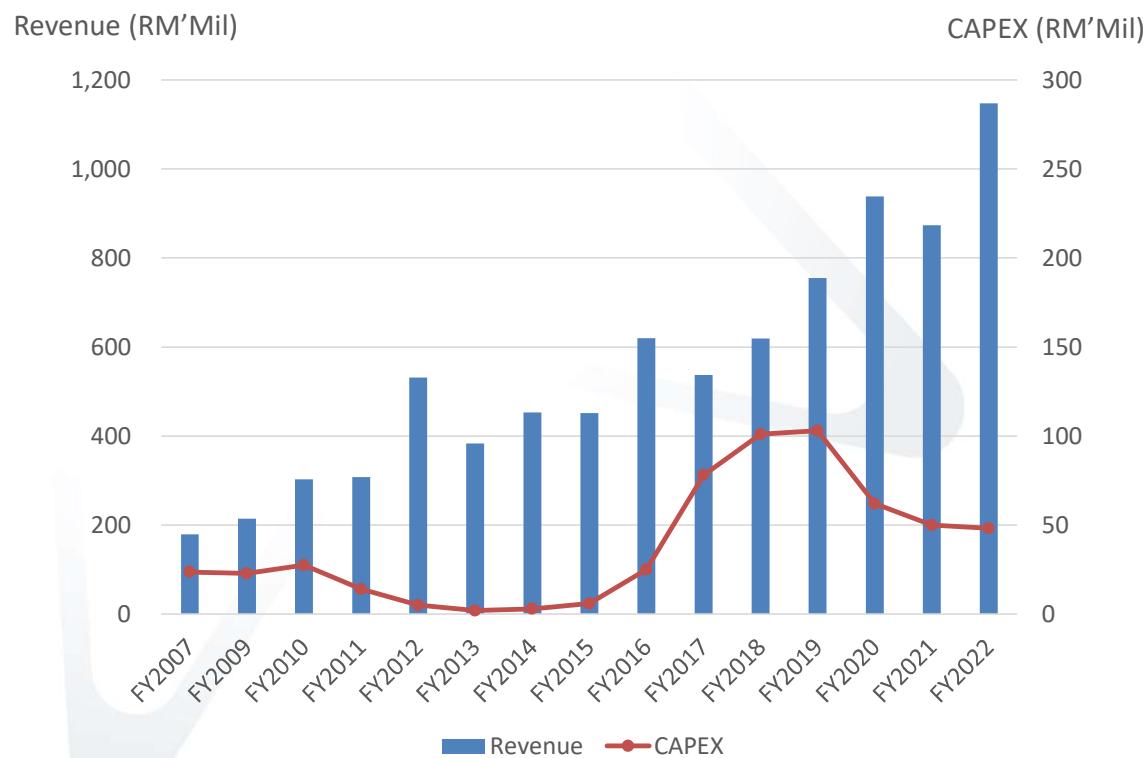
■ Back-end Semicon ■ Data Storage ■ Aerospace ■ Front-end Semicon ■ Others

Proprietary Information of SAM



The Transformation

➤ Investing for Growth



Major Machines/Equipment



Milling machines & FMS line for Beams



Machines for Big Machined Parts



Machines for Prismatic Parts



Milling machines & FMS line for small/medium machined parts



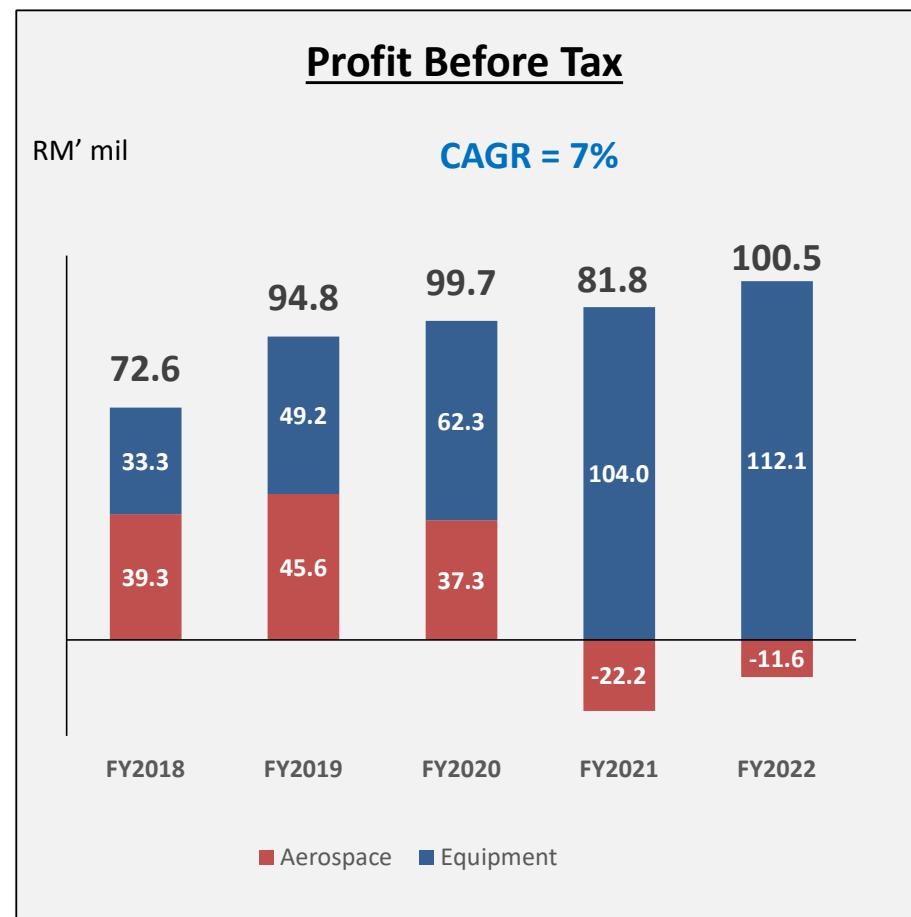
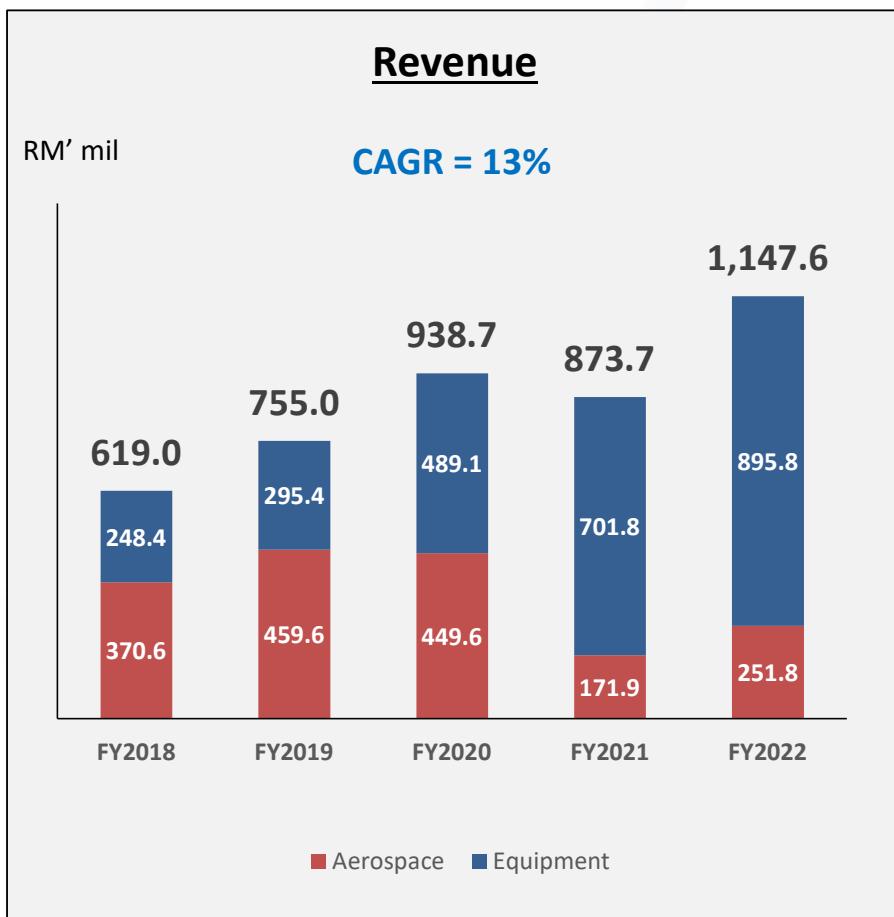
Milling machines & FMS line for Casings



Cleanroom

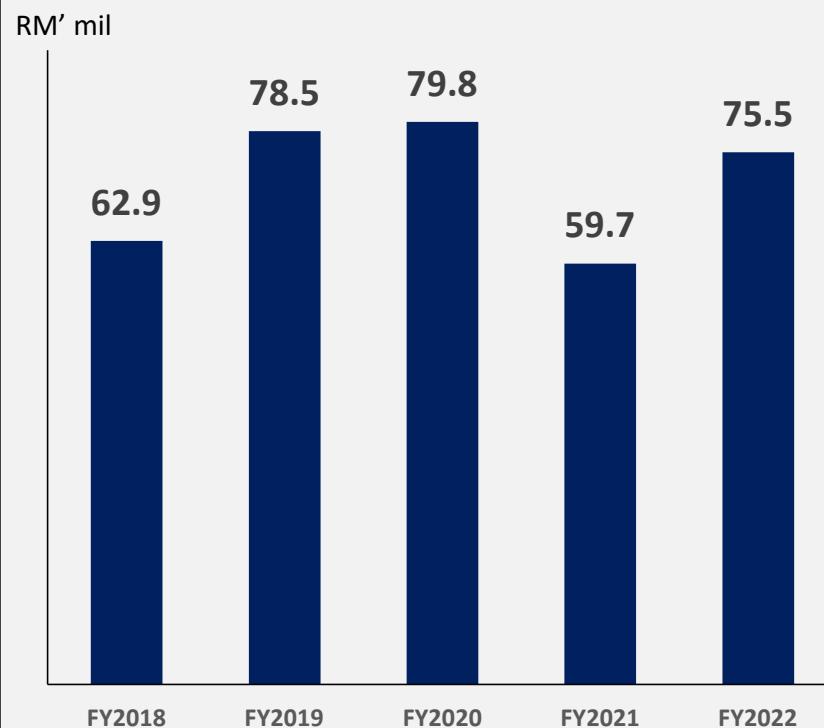
Financial Highlights

Financial Highlights

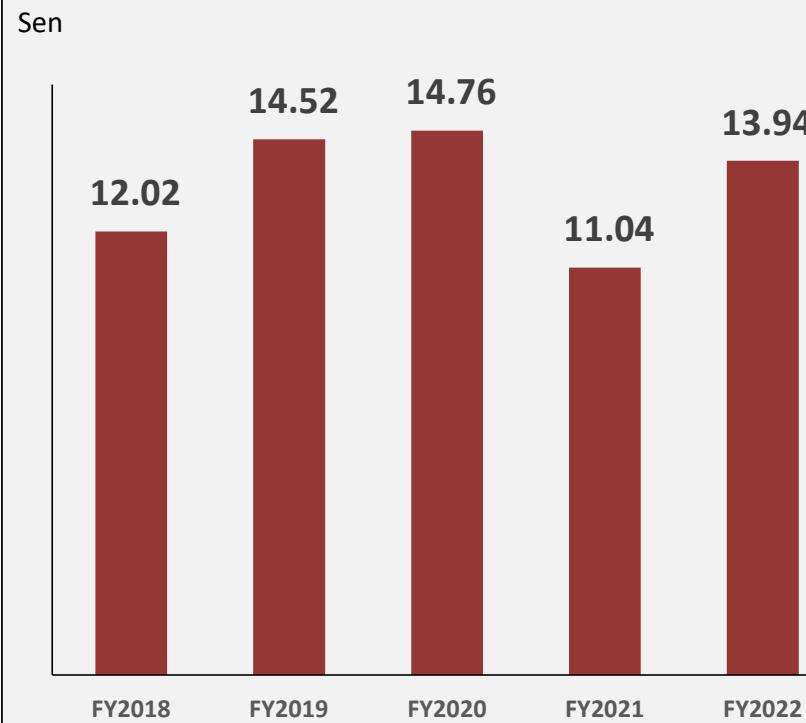


Financial Highlights

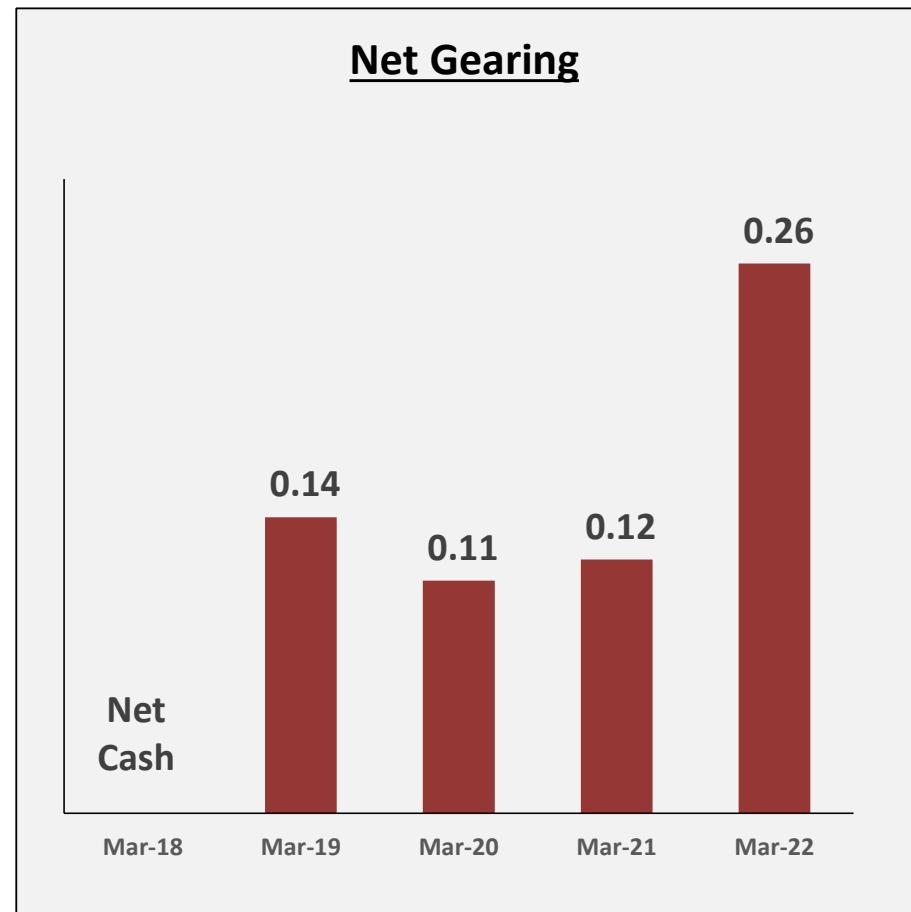
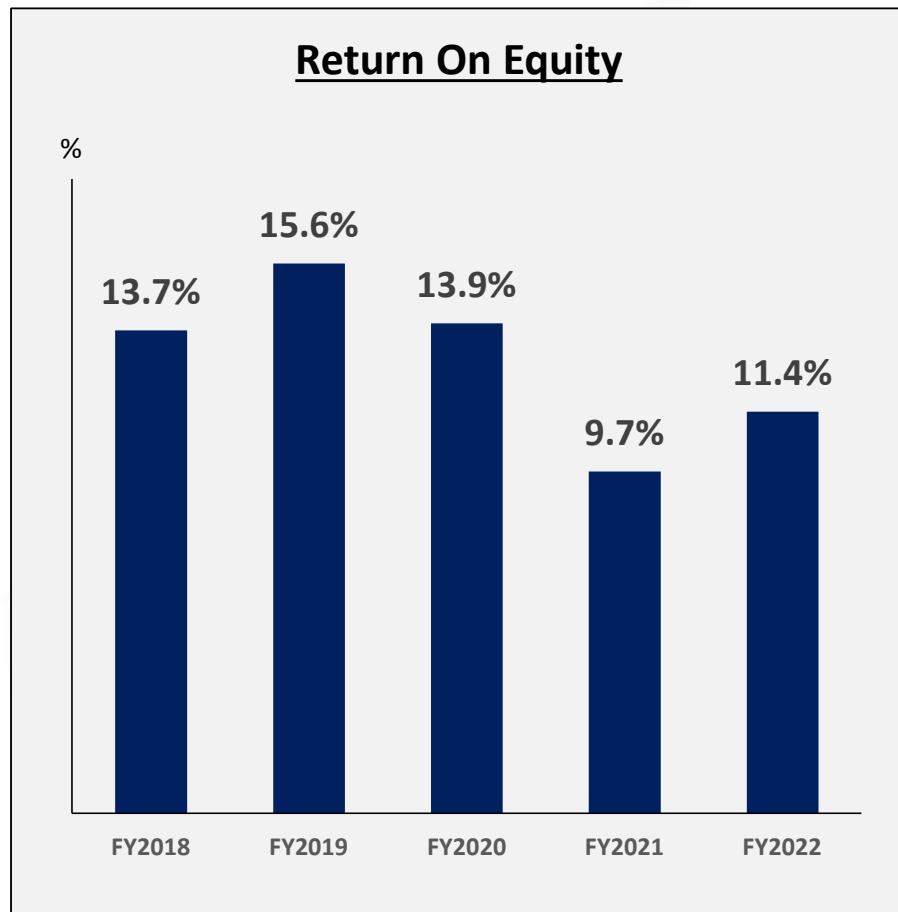
Profit For The Year/Period



Basic Earnings Per Share



Financial Highlights

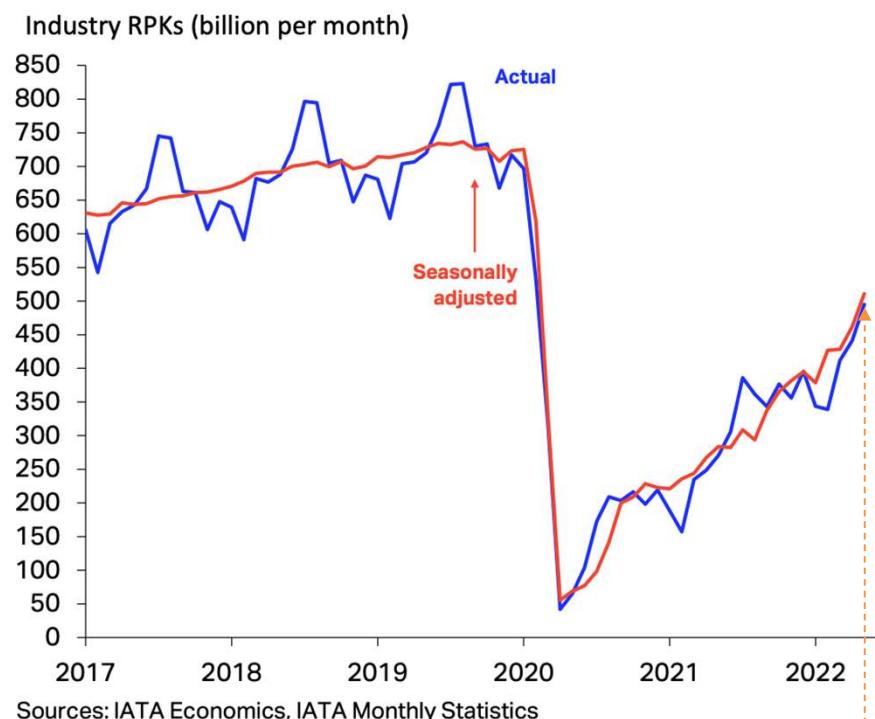


The Path Forward

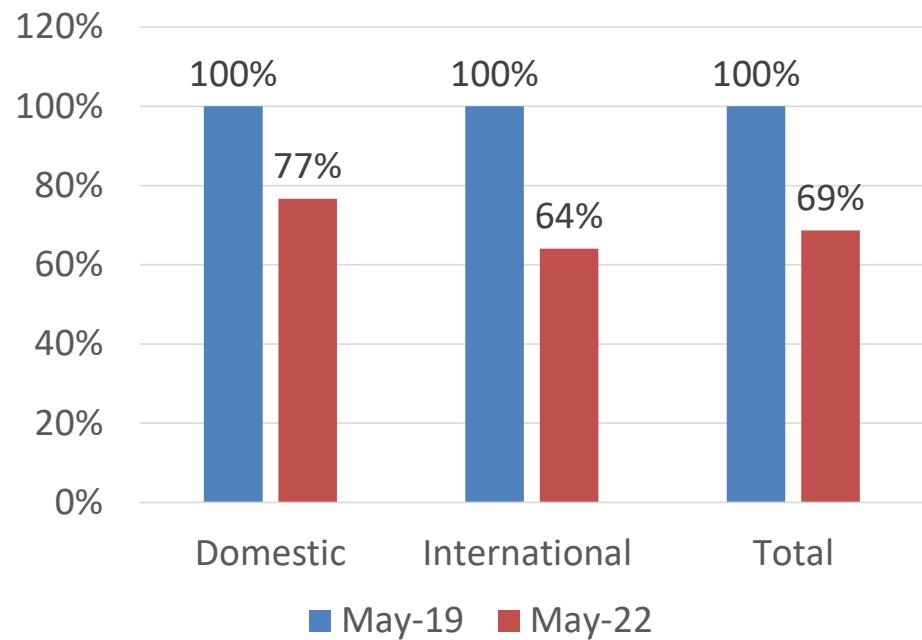
Air Travel Recovery

Air travel gradually recovering

Chart 1: Global air passenger volumes (RPKs)



Air Passenger Market
- 2022 vs. 2019 (RPKs)



Proprietary Information of SAM

Recovery of Commercial Aerospace

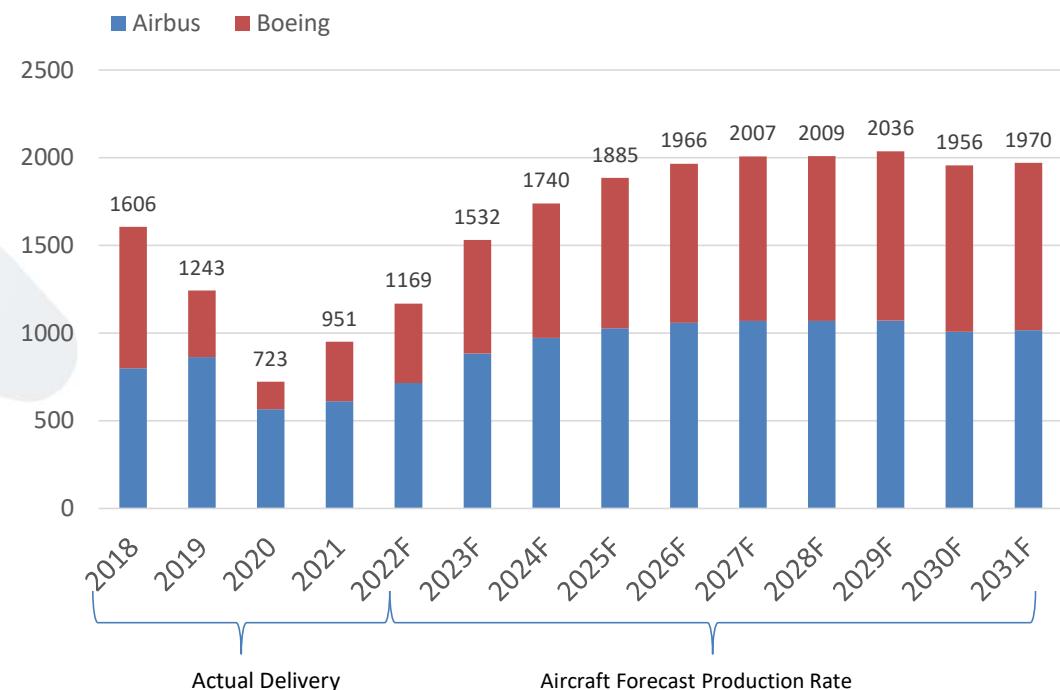


Parameters	Year 2020	Year 2021
Total Deliveries	723	951
Total Net Orders	-211	986
Backlog as of December (before adjustments)	12,181	12,218

+24% deliveries in 2021

	Airbus	Boeing	Total
Deliveries (YTD June)	295	216	511
Backlog	7046	5106	12,152

Projected Aircraft Production Rate
(Source: Forecast International, July 2022)



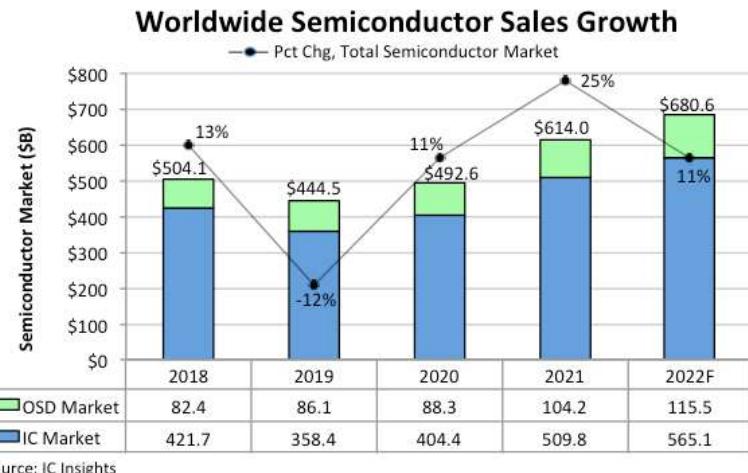
Production of Commercial Aircraft projected to recover by 2024/2025 period

Proprietary Information of SAM

Positive Semicon Outlook

IC Insights (10 Feb 2022)

- Total semiconductor sales in 2022 are forecast to grow 11% and reach a record-high \$680.6 billion after worldwide revenues climbed 25% in the 2021
- 7.1% CAGR expected from 2021 to 2026



IC Insights (1 June 2022)

- Despite rampant inflation, soaring energy costs, ongoing glitches in supply chains, recent Covid-19 virus lockdowns in China, and Russia's war with Ukraine, IC Insights continues to anticipate an 11% increase in total semiconductor sales this year—the same growth rate that was forecast in January.

No Change in 2Q Update

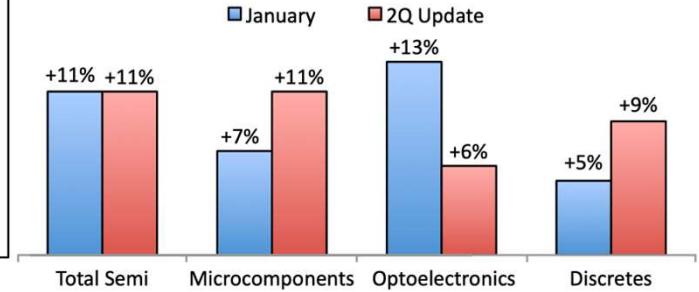
- Semiconductor Total +11%
- IC Total +11%
- Analog +12%
- Logic +11%
- Sensors & Actuators +15%

Growth Reduced in Update

- O-S-D Total +9% (vs. +11%)
(Optoelectronics, Sensors & Actuators, and Discretes)

Source: IC Insights

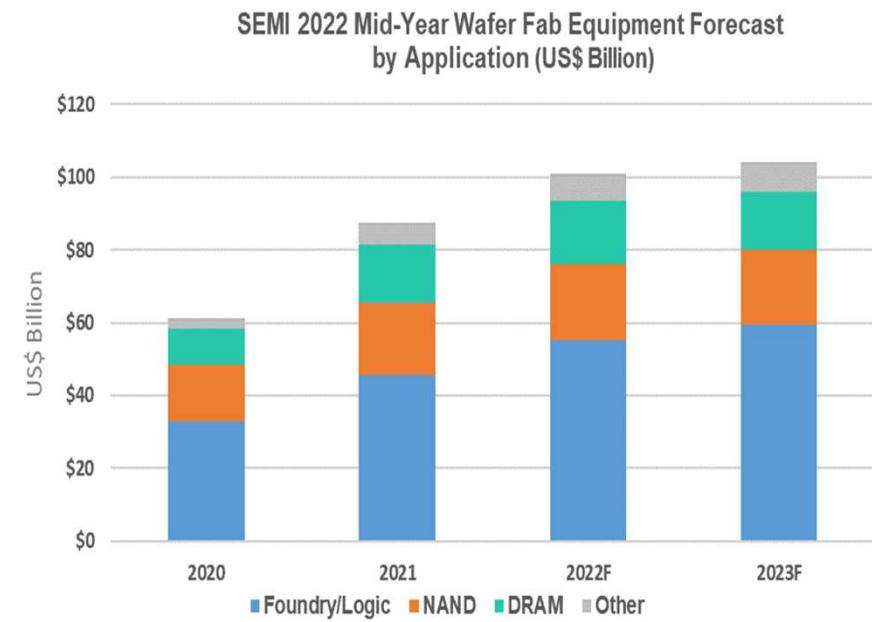
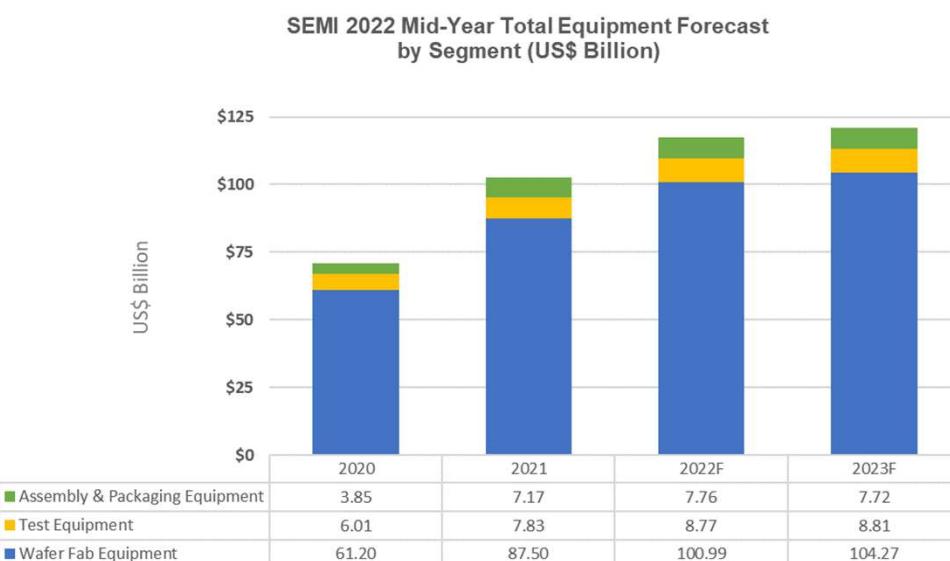
2022 Sales Growth Outlook



Positive Semicon Outlook

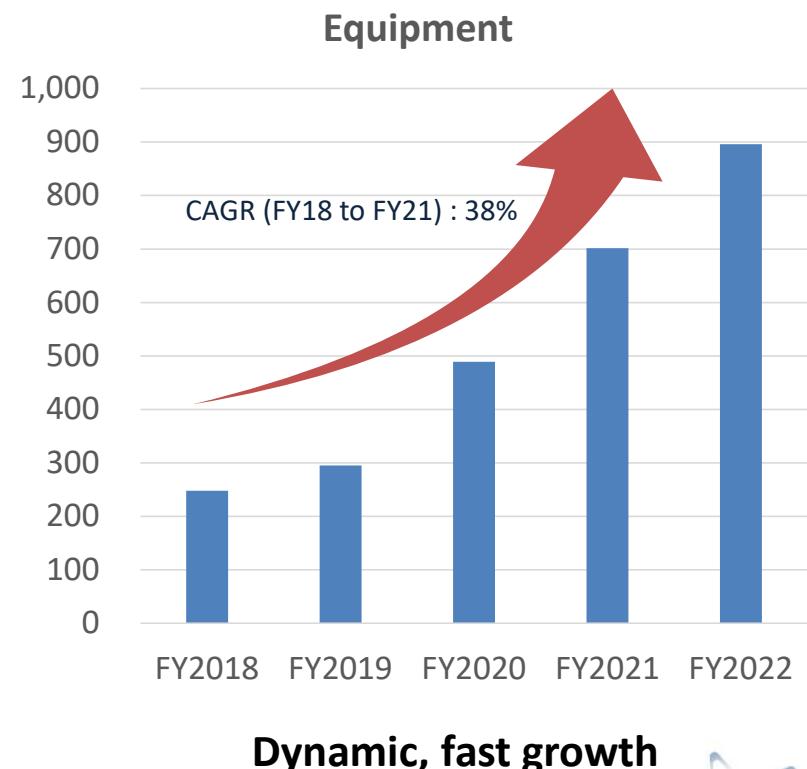
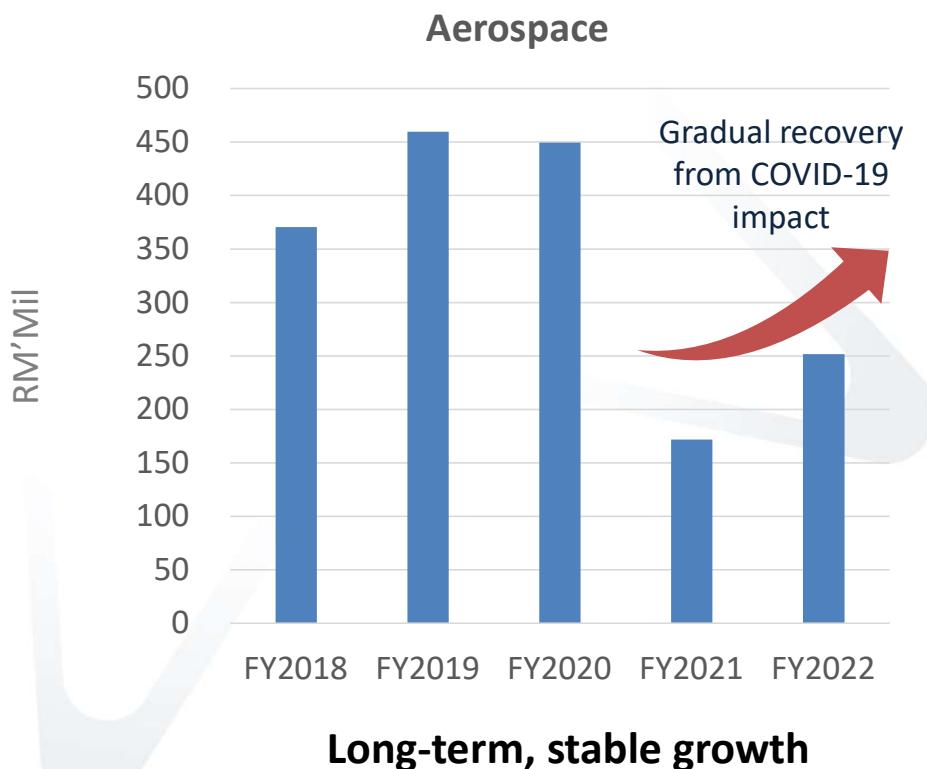
Global sales of total semiconductor manufacturing equipment by OEMs forecasted to

- Reach a record \$117.5 billion in 2022 (up 14.7% from 2021), and
- increase to \$120.8 billion in 2023



When The 2 Stars align

2 complementary pillars: Aerospace and Equipment



Investing Ahead to Capture Growth



Full suite of manufacturing capabilities

- Precision Machining
- Sheet Metal Fabrication
- Special Processes
- Cleanroom Assembly
- Non-Cleanroom Assembly

Total space > 180,000 sqft

- Phase 1 : Mass production in Oct 2021
- Phase 2 : Targeting mass production in 2023



Mill-Turn Machines



Milling Machine



Laser Machine



Cleaning Line



Cleanroom



Thank You

Proprietary Information of SAM

