

SAM Engineering & Equipment (M) Berhad

Meeting with CIMB

28 July 2022



Safe Harbour

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Agenda

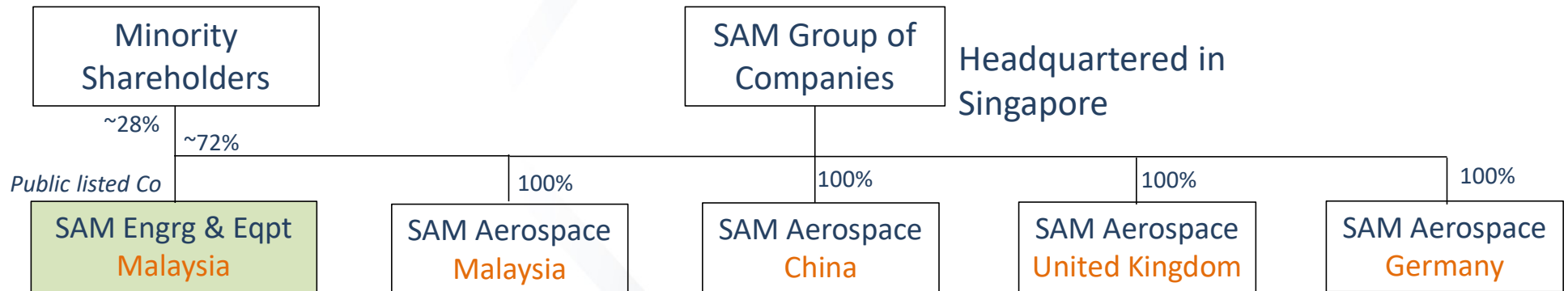
- Overview of SAMEE Group
- The Transformation
- Financial Highlights
- The Path Forward

Overview of SAMEE Group

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”)

SAM



SAMEE Group

FY22 Revenue : RM 1.15B

Total workforce > 1,600

SAM *Equipment/*



SAM *Aerospace/*



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SAMEE Factory locations



Malaysia



Special Process



Equipment Integration



Prismatic



Nacelle Beams



Engine Cases

SAMEE
Corporate



Thailand



Equipment Integration



Equipment Integration



New Factory



Singapore



Engine Cases

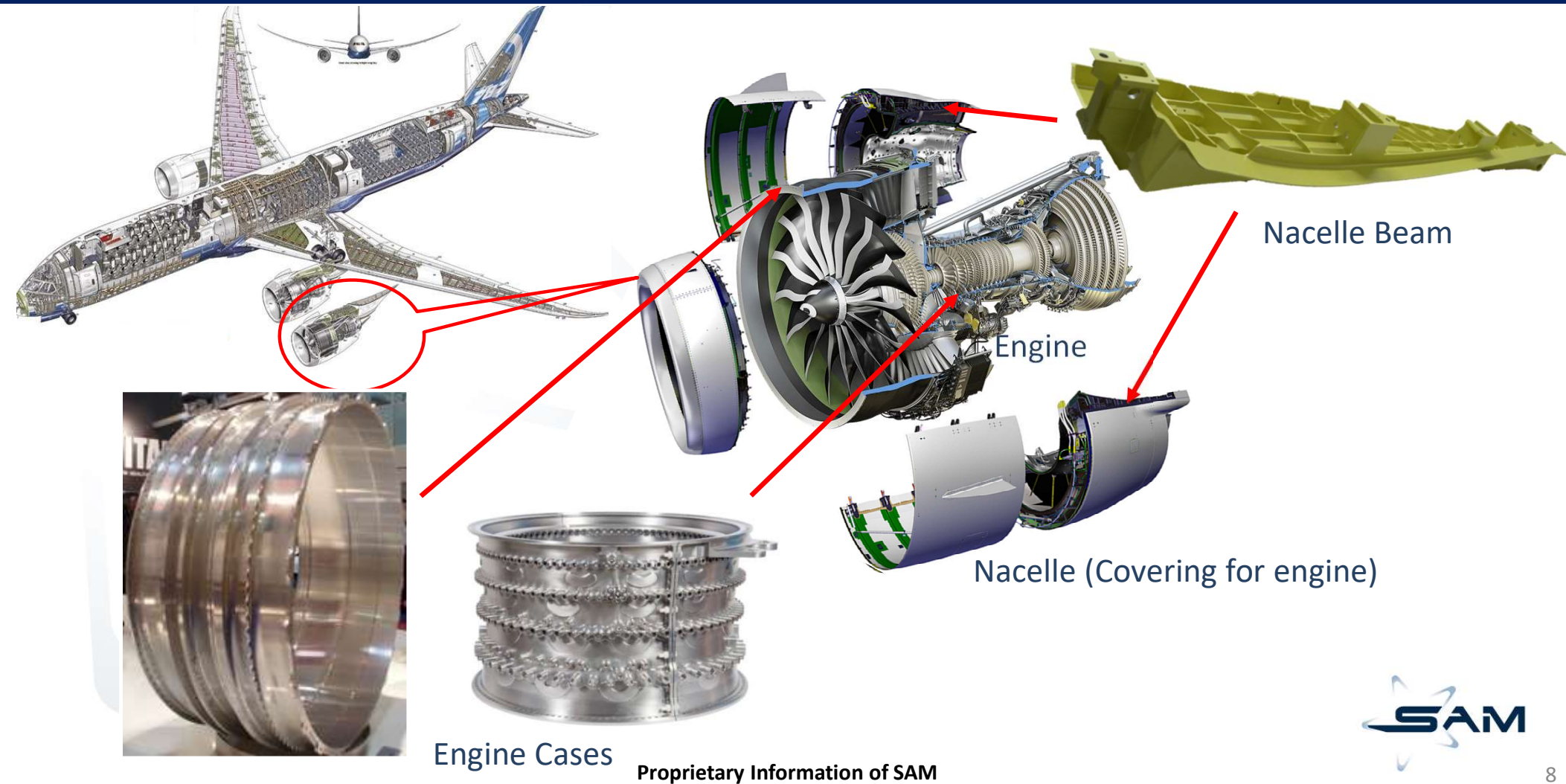


Engine Cases



Proprietary Information of SAM

Aerospace Products



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

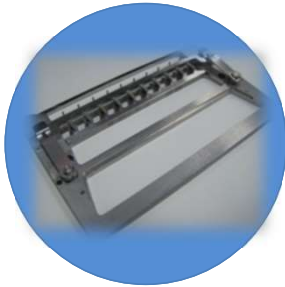


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Equipment Business

Small/Med Machining



Large Machining



Frame/Panel



PCBA/Wire Harness



Integration, Assembly & Test



OEM Component

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PRODUCTION FLOOR –Class 10k Clean Room Assembly

Our Growth Journey

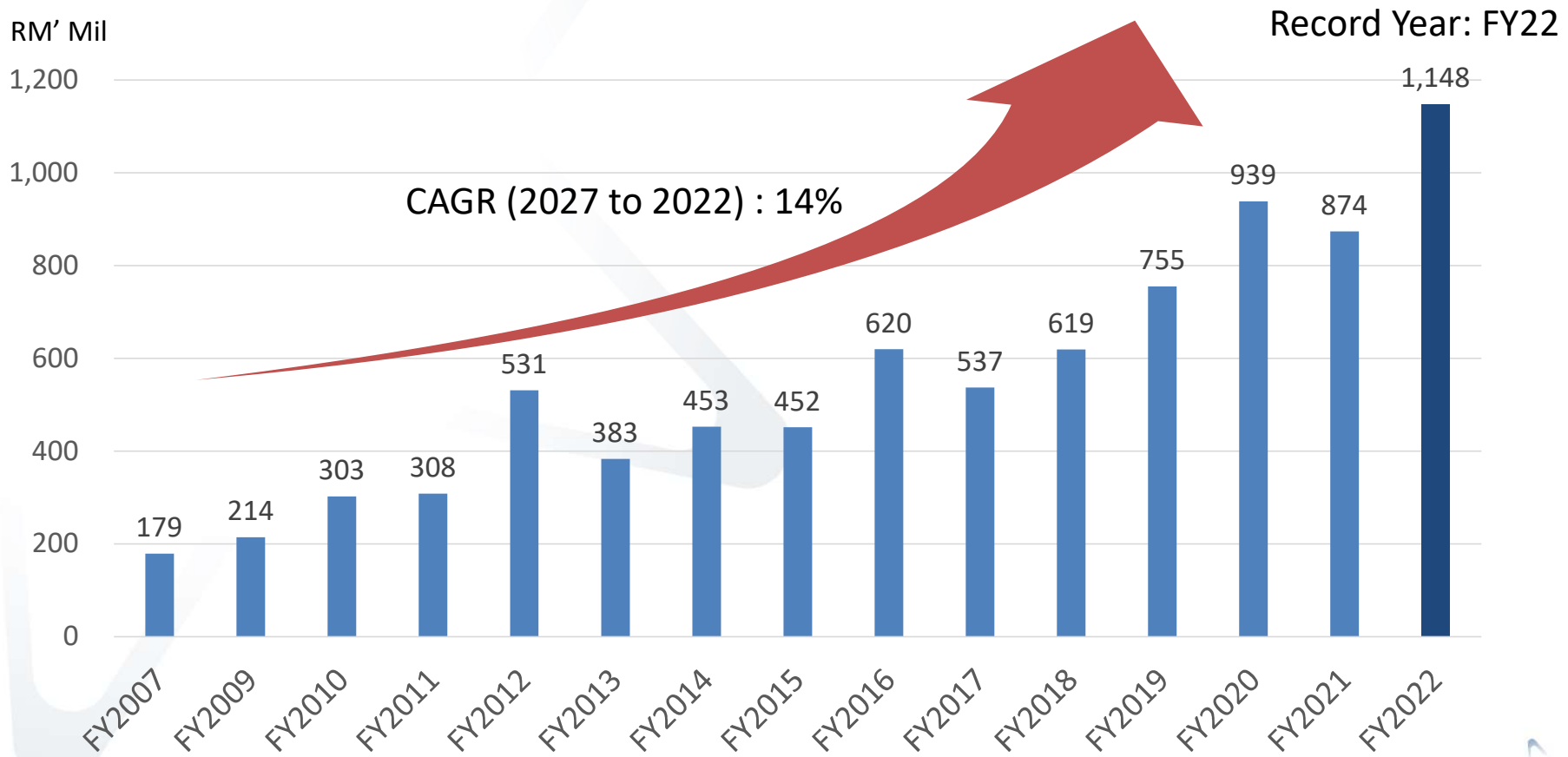
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Our Key Strategies

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

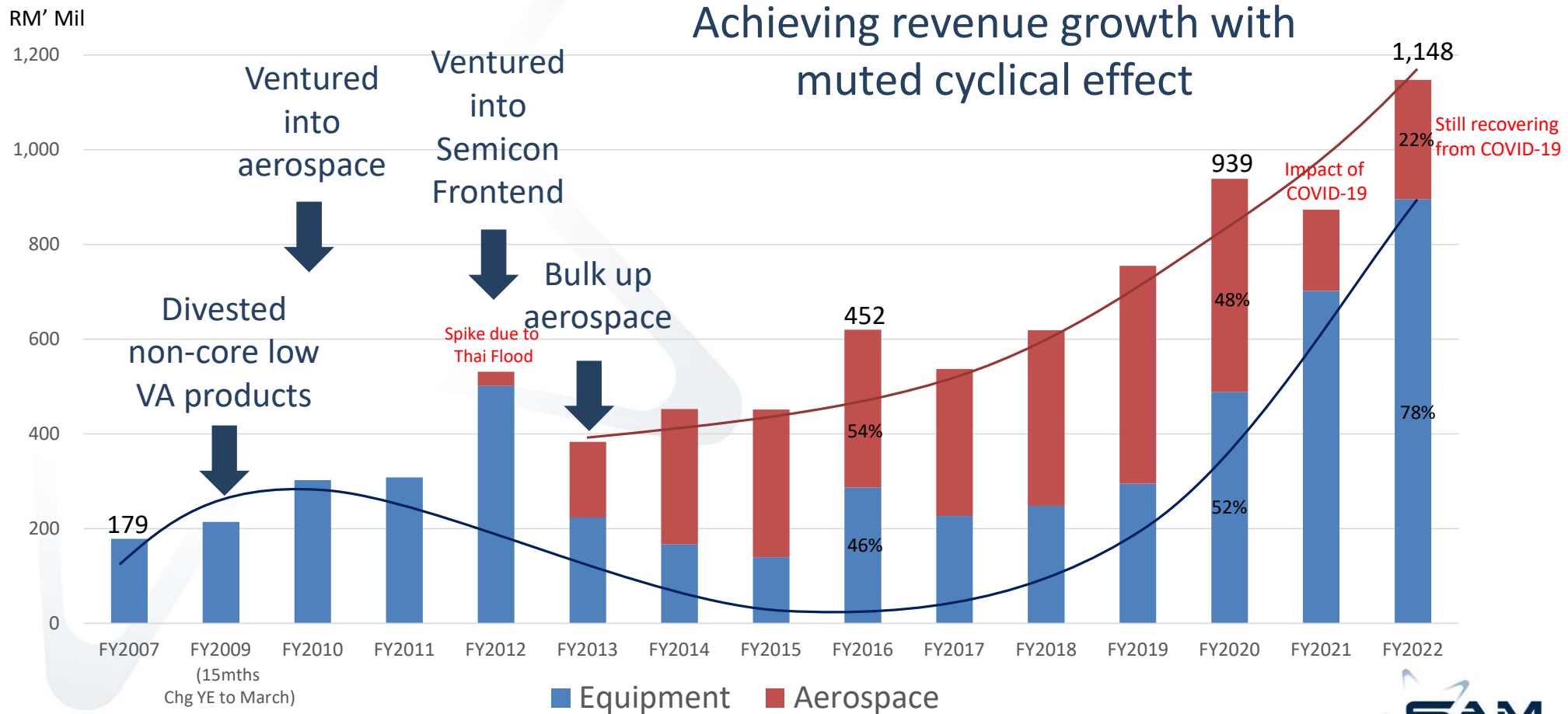


Note: FY2009 (15 months results due to change in Financial Year End)

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The Transformation Effects

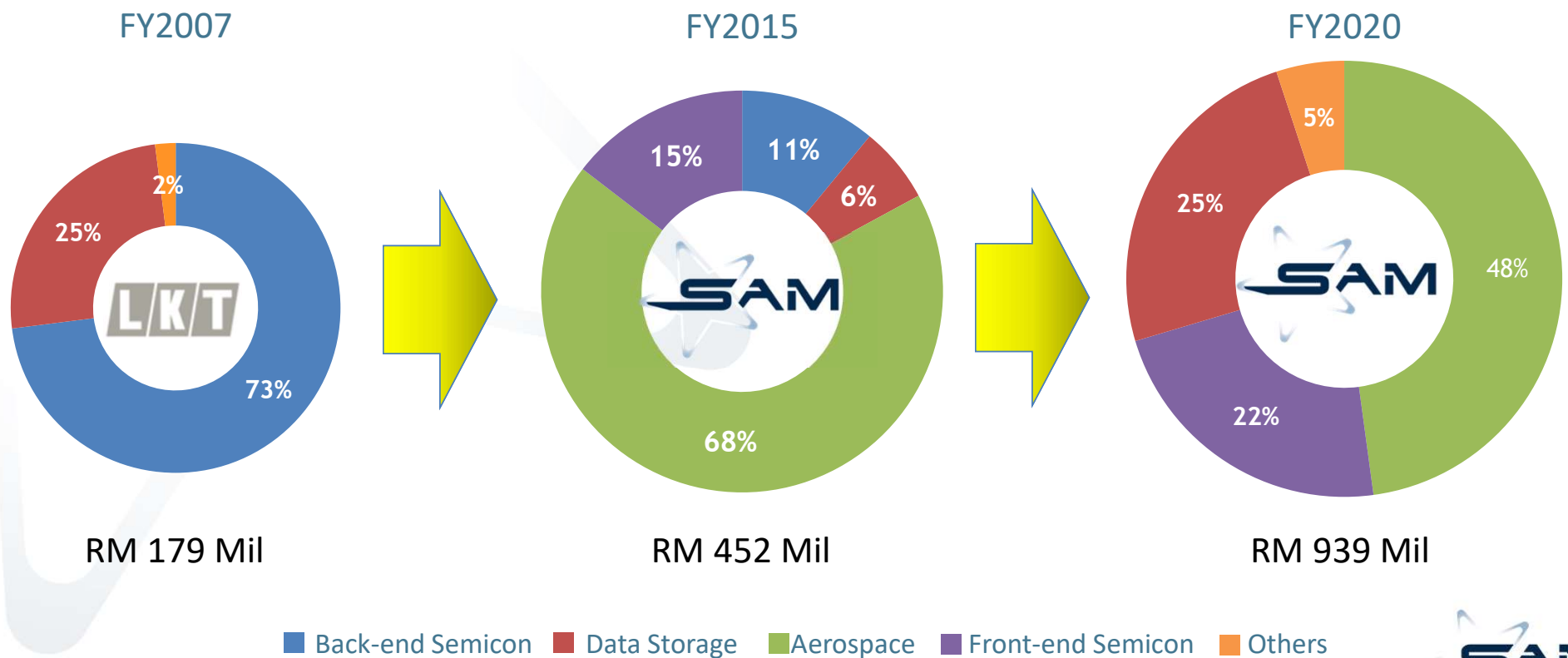


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The Transformation

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

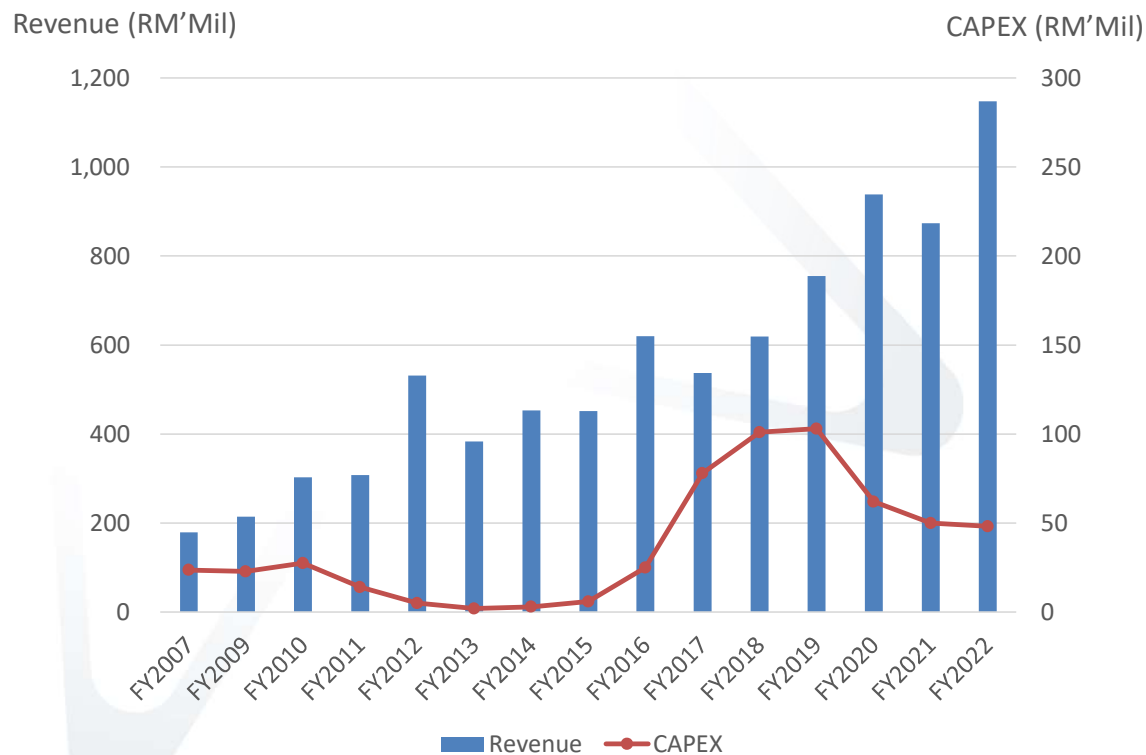


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The Transformation

➤ 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

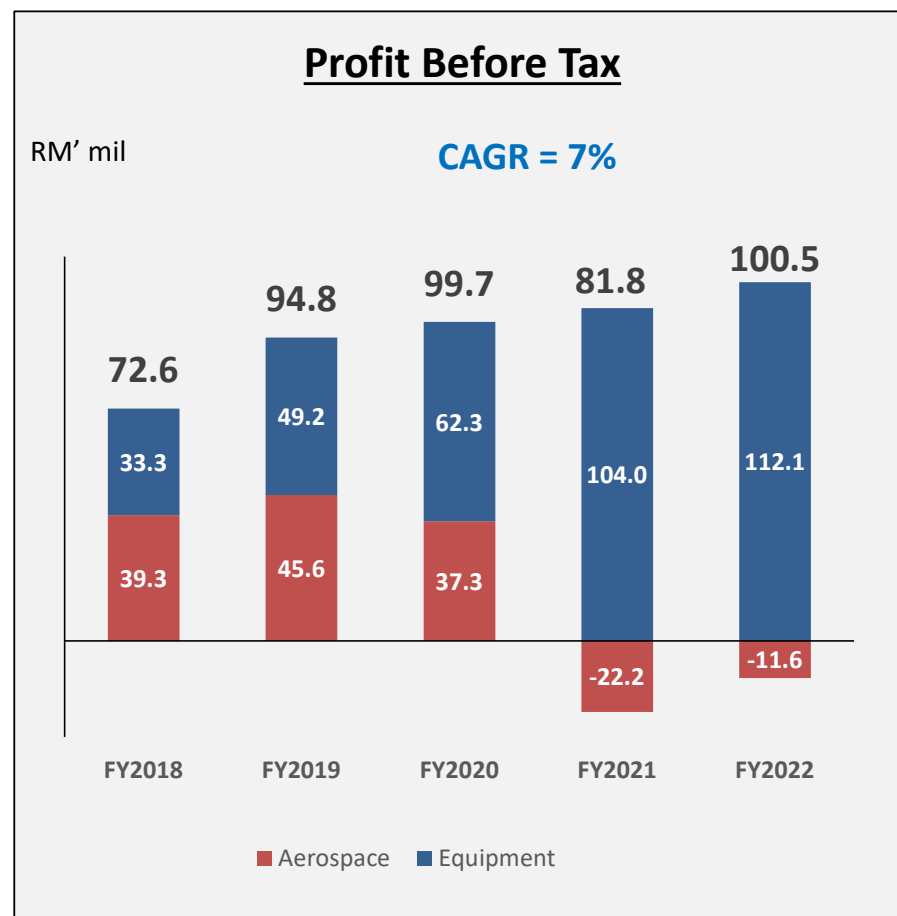
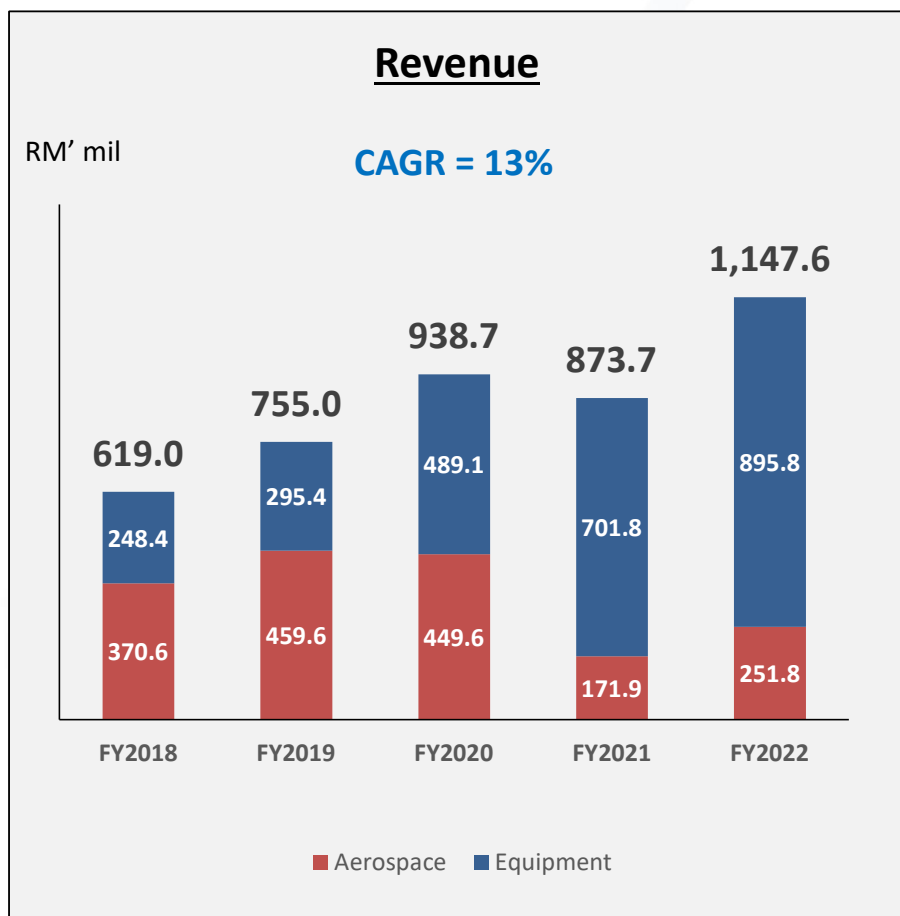
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Financial Highlights

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Financial Highlights



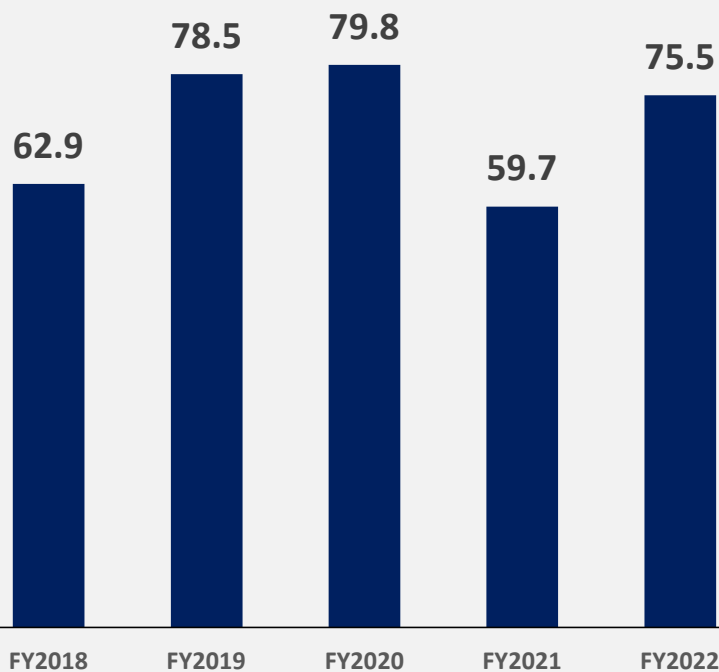
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Financial Highlights

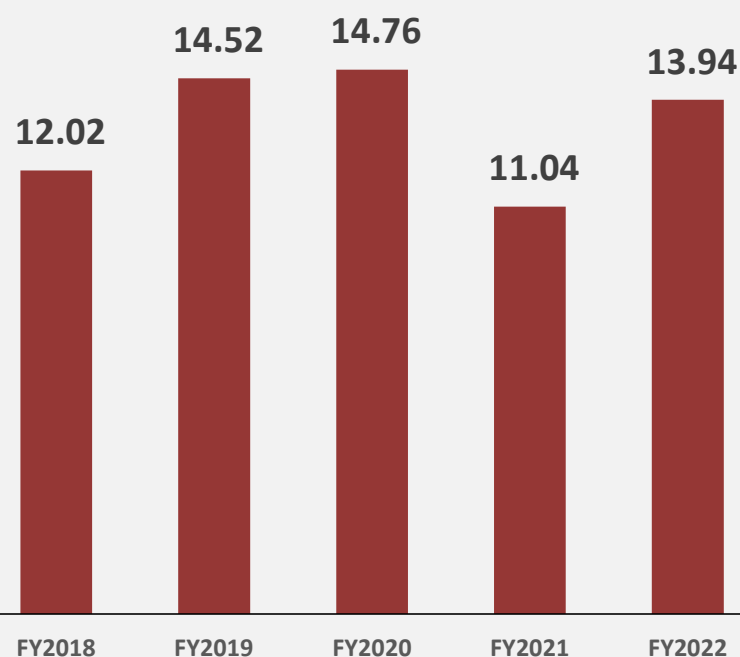
Profit For The Year/Period

RM' mil



Basic Earnings Per Share

Sen

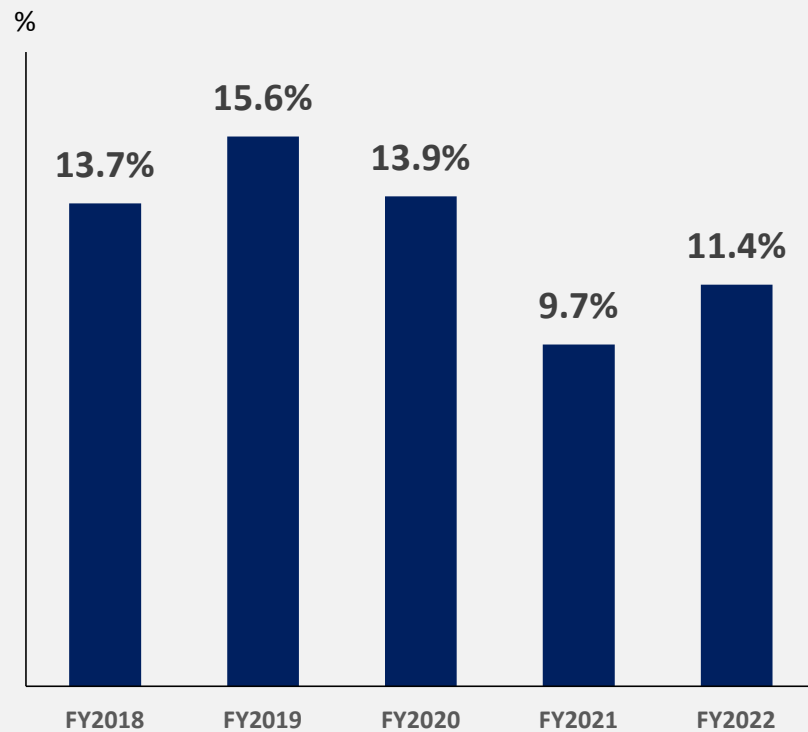


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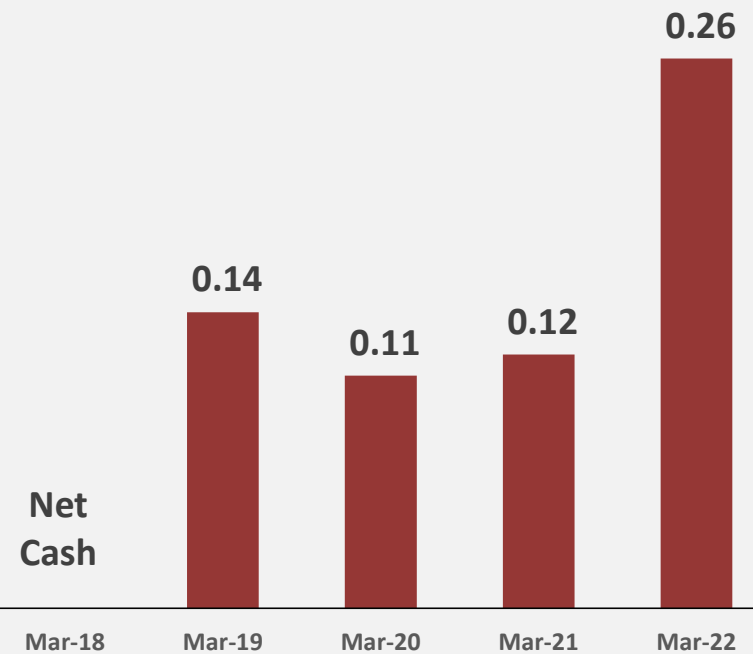


Financial Highlights

Return On Equity



Net Gearing



The Path Forward

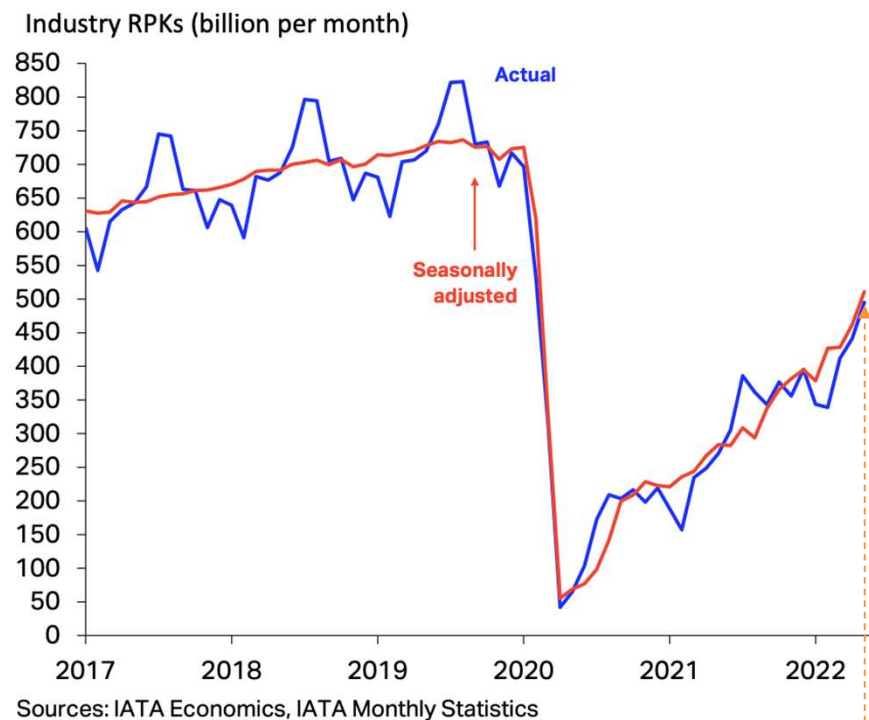
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Air Travel Recovery

Air travel gradually recovering

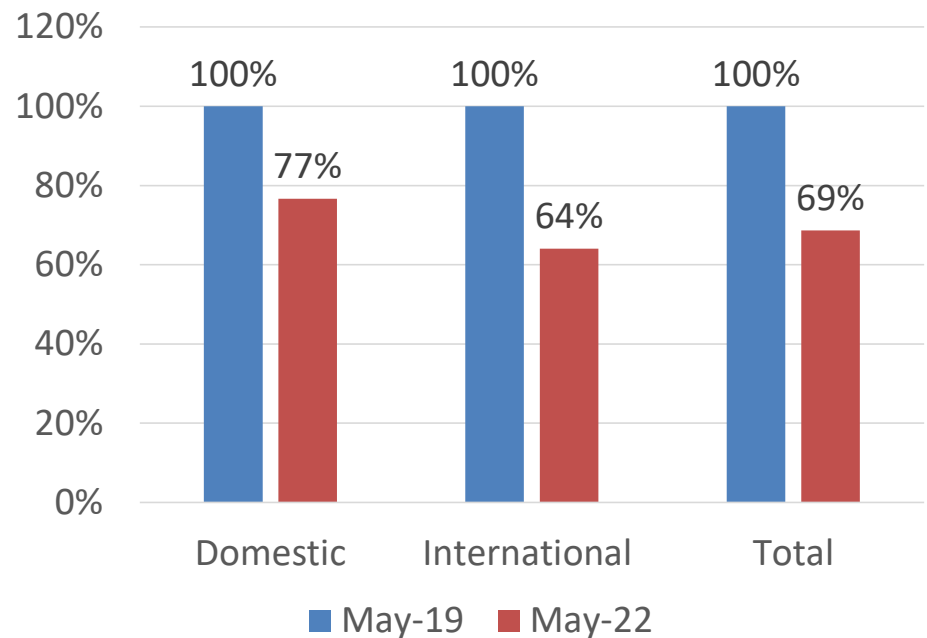
Chart 1: Global air passenger volumes (RPKs)



May 2022

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Air Passenger Market
- 2022 vs. 2019 (RPKs)



Recovery of Commercial Aerospace

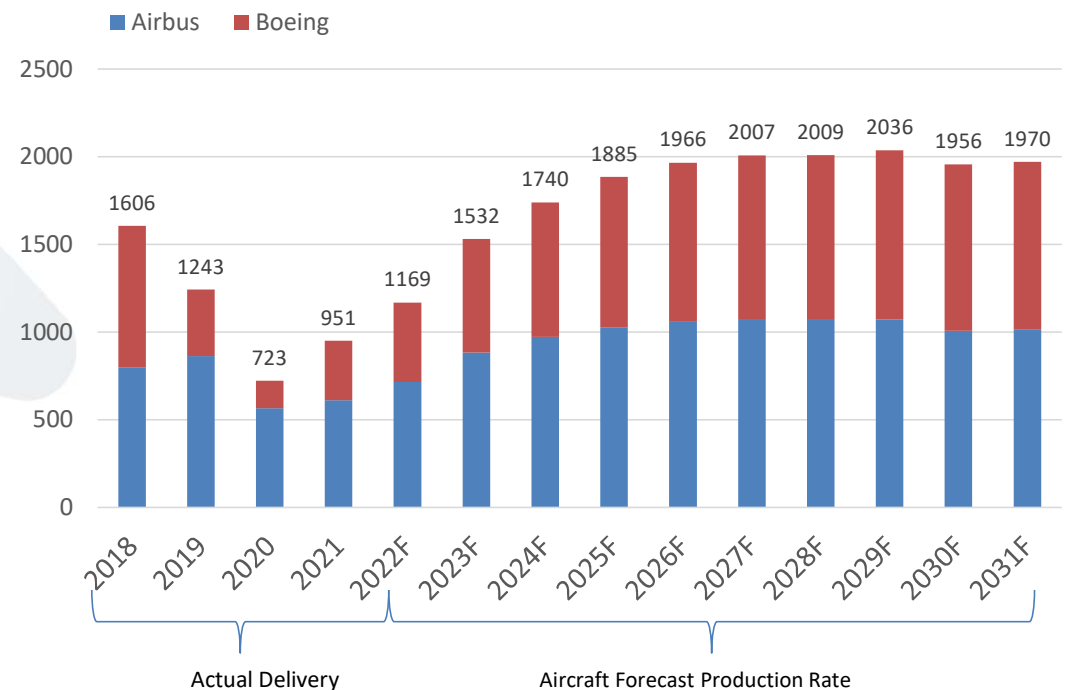


Parameters	Year 2020	Year 2021
Total Deliveries	723	951
Total Net Orders	-211	986
Backlog as of December (before adjustments)	12,181	12,218

+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

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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.

Worldwide Semiconductor Sales Growth



Source: IC Insights

No Change in 2Q Update

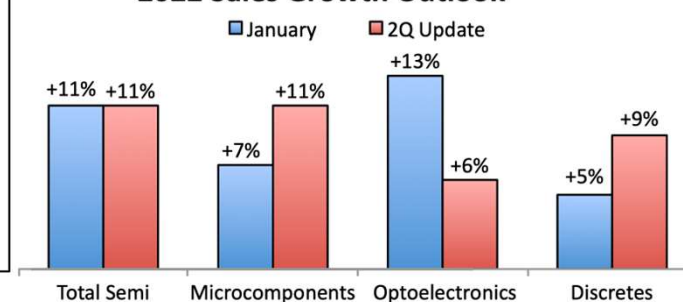
- Semiconductor Total +11%
- IC Total +11%
- Analog +12%
- Logic +11%
- Sensors & Actuators +15%

Growth Reduced in Update

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

Source: IC Insights

2022 Sales Growth Outlook

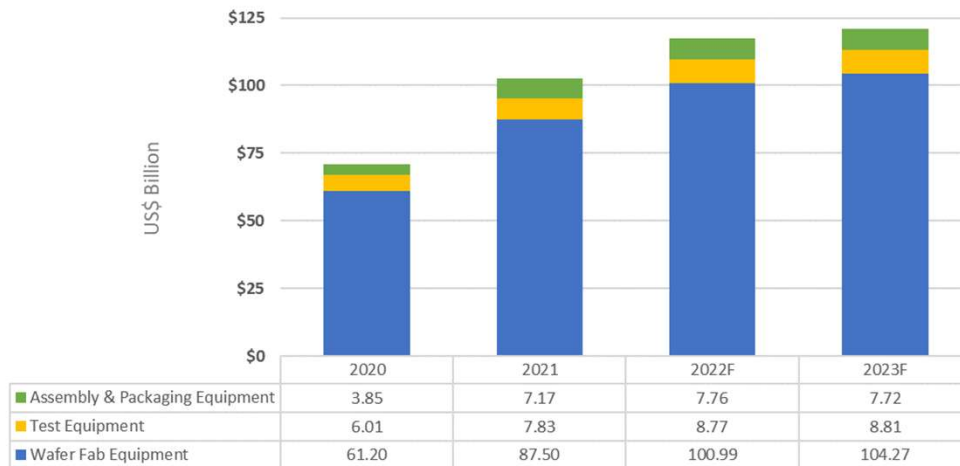


Positive Semicon Outlook

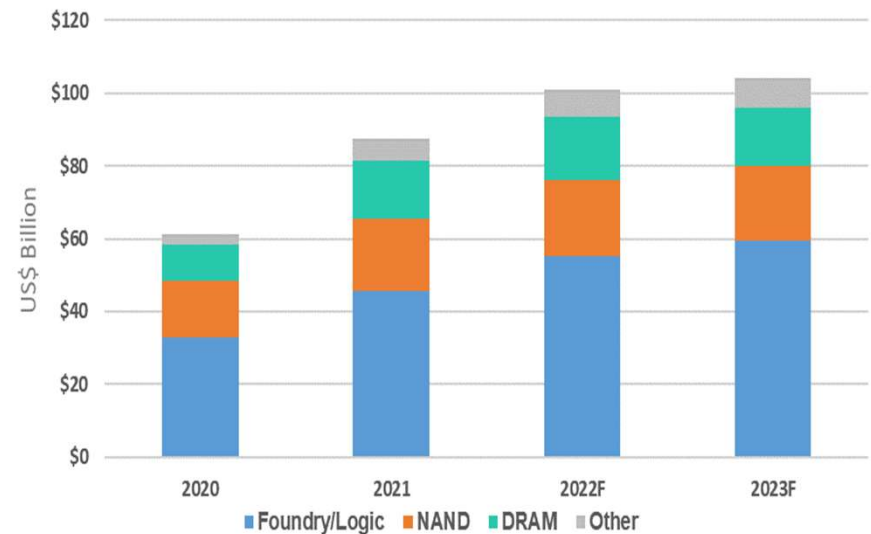
Global sales of total semiconductor manufacturing equipment by OEMs forecasted to

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

SEMI 2022 Mid-Year Total Equipment Forecast
by Segment (US\$ Billion)

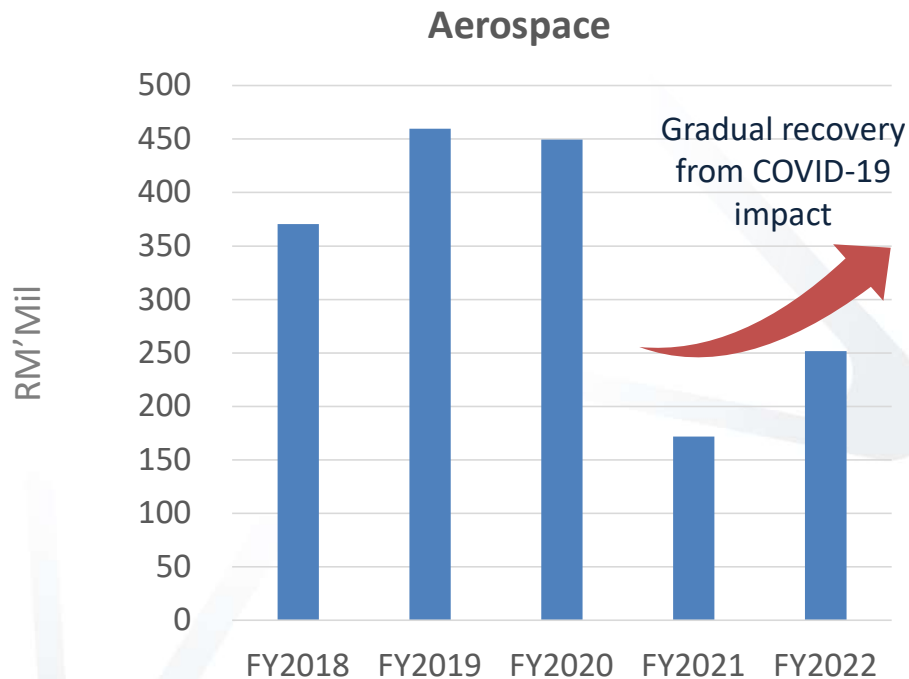


SEMI 2022 Mid-Year Wafer Fab Equipment Forecast
by Application (US\$ Billion)

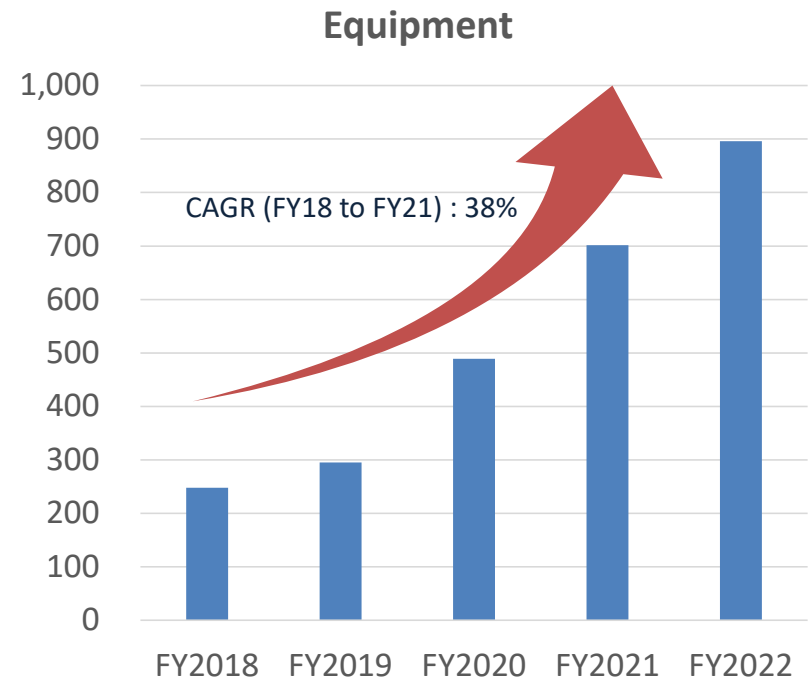


When The 2 Stars align

2 complementary pillars: Aerospace and Equipment



Long-term, stable growth



Dynamic, fast growth

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Investing Ahead to Capture Growth



Total space > 180,000 sqft

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

Full suite of manufacturing capabilities

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



Mill-Turn Machines



Milling Machine



Laser Machine



Cleaning Line



Cleanroom

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Thank You

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