



SERBA DINAMIK
HOLDINGS BERHAD

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Global Integrated Engineering Services Provider

CORPORATE PRESENTATION

June 2020



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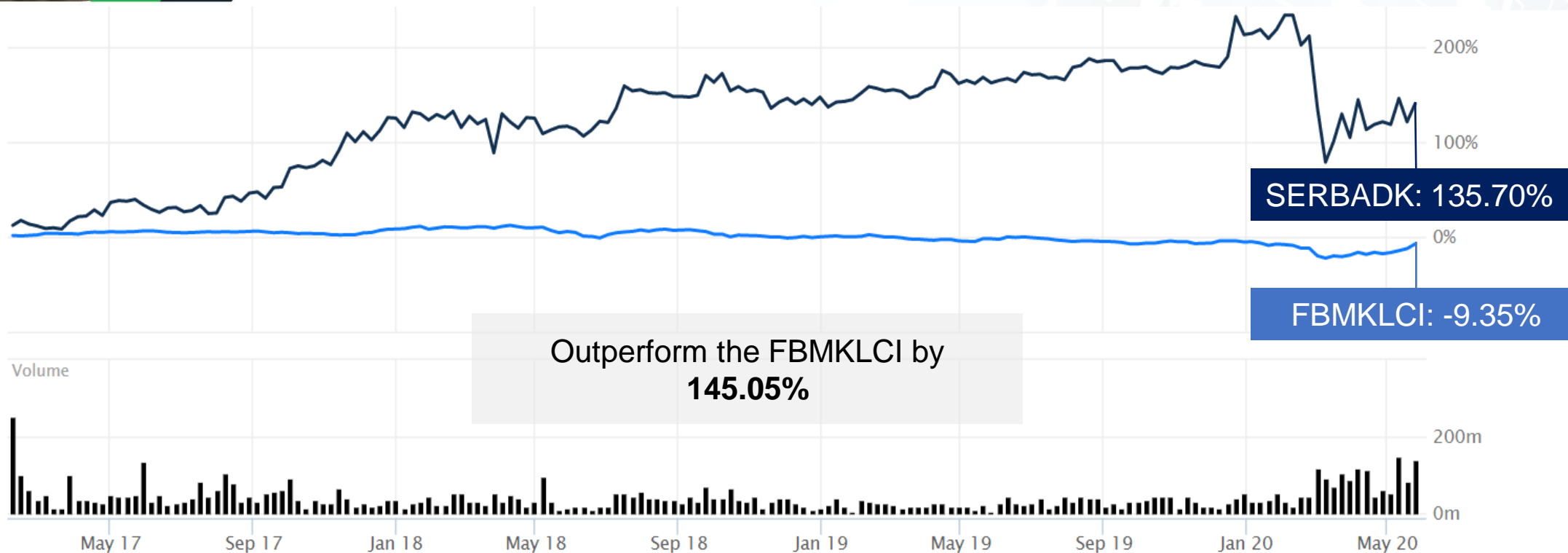
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STOCK INFO (as at 9 Jun 2020)



Bursa Code	SERBADK/ 5279 (Main Market)	52 Week High/ Low	RM 2.52/ 1.02
Bloomberg Ticker	SDH MK	Market Capital	RM 6.24 billion
Sector	Trading/ Services	Share Capital	3.39 billion
Share Price	RM 1.84	FYE	31 December



OPERATIONAL OVERVIEW

KEY FACTS

Malaysia O&G
Services & Equipment
Company Ranking*

7 th	4 th	3 rd
2016	2017	2018

MRO of Rotating
Equipment
27 Years

Track Record

EPCC Project
13 Years

ICT Business
10 Years

Presence in
6 Regions
25 Countries

Orderbook

RM 7.5b	RM 10b	RM 17b
2018	2019	2Q20

Growth

	FY18 Vs FY19	5Y CAGR (Up to FY19)
Revenue	38%	43%
PAT	27%	49%

PAT for
Dividend Policy
≥30%

* Source:

Malaysia Petroleum Resources Corporation (Ranking was based on total group or company revenue for the FYE18 among PETRONAS-licensed companies in Malaysia)

SERBA DINAMIK JOURNEY

YEAR	BUSINESS SYNERGY
2020	Operation & Maintenance + EPCC + Information & Communication Technology + Education & Training
2019	Operation & Maintenance + EPCC + Information & Communication Technology
2018	Operation & Maintenance + EPCC
2017	Operation & Maintenance + EPCC

SUSTAINABILITY - BUSINESS MODEL: CORE COMPETENCIES

OPERATION & MAINTENANCE

Site Maintenance

- Daily Maintenance Operation
- Plant Turnaround Activity

Workshop Maintenance

- Bintulu Integrated Energy Hub
- Pengerang Eco-Industrial Park

Manufacturing of parts & components

- La Rapida
- Al Sagar Engineering
- OMT
- Psicon
- Geppert



EPCC



Current Business Model

Exploring and moving towards a new model

Asset Ownership Model

EPCC + O&M synergies

Innovation Hub & Smart City
EPCC + ICT related solutions
Prospect in East Malaysia and Middle East

Acquisition of Offshore Fabrication Yard / Facilities
To strengthen offshore capabilities & positioning in South East Asia and Middle East

INFORMATION TECHNOLOGY

Customised software development

Specialised tailored programme for Institution and plant operators

Mobile application solutions

Targeting end user and global populations with quick cash turnaround cycle

Innovation Hub & Smart City

Integration of IT services and solutions from IR 4.0 initiatives i.e. Robotics, A.I, IoT, Smart Maintenance, AR/VR and cloud computing



EDUCATION & TRAINING



Certification programmes

Joint training programmes with approved and reputable education provider

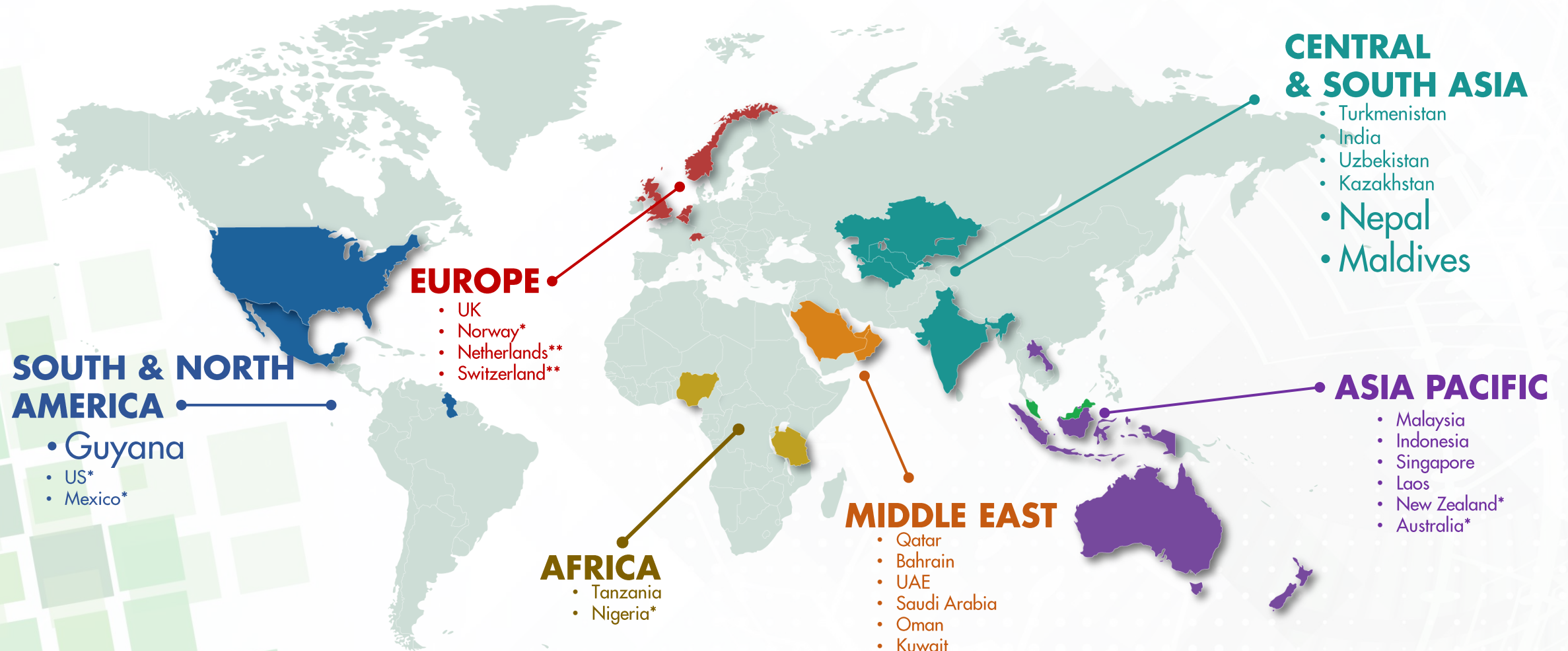
Tertiary Learning

Specialised and focusing on ICT related course – acquisition of UniMY

Research and Development

Moving towards industry relevant R&D and human resources training to support the Group's core business

SUSTAINABILITY - GEOGRAPHICAL POSITIONING

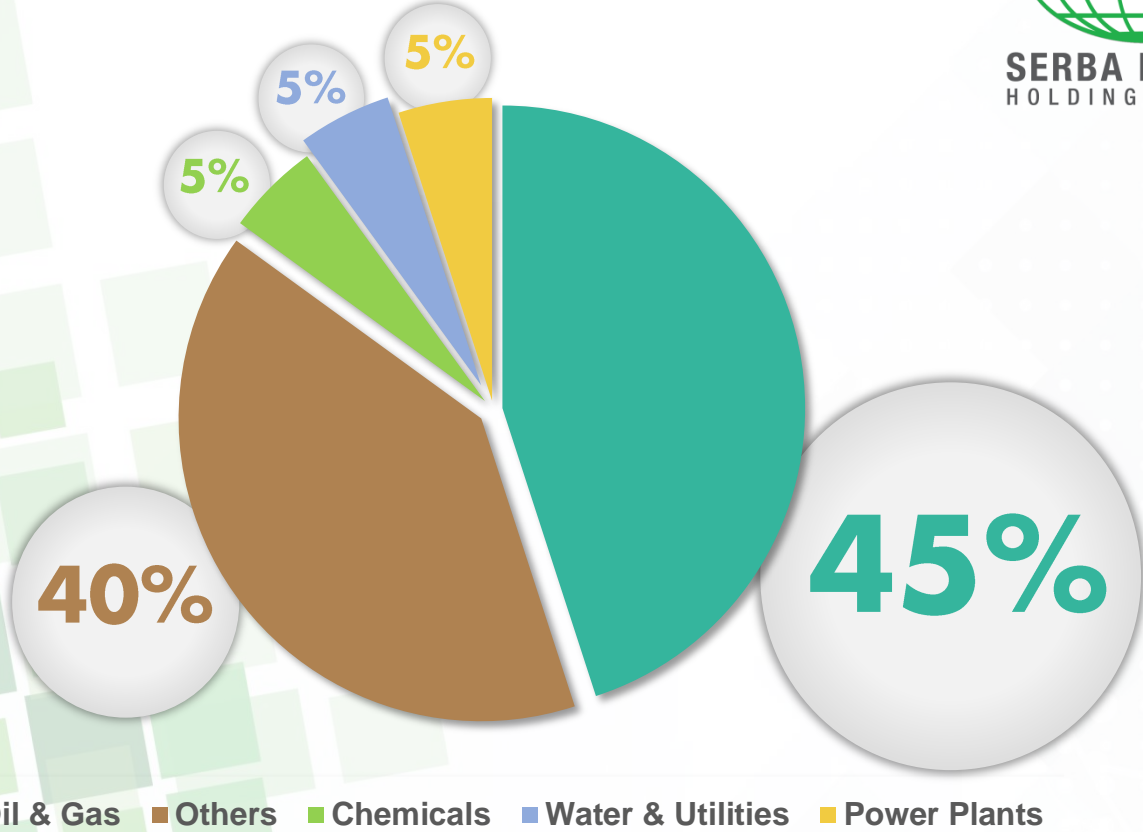


* CSE Global operational location

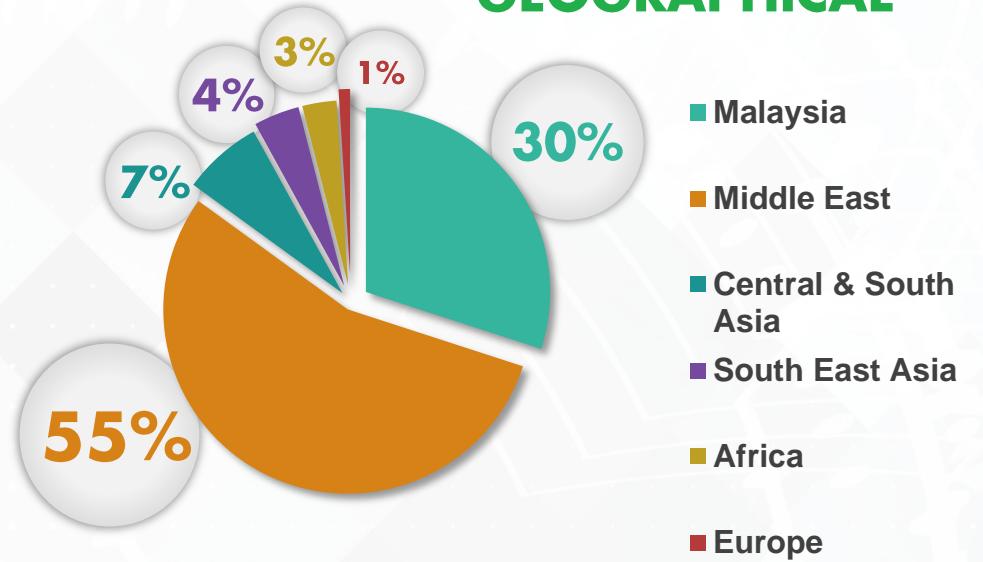
** Through associate companies

ORDERBOOK COMPOSITION: RM17b as at May 2020

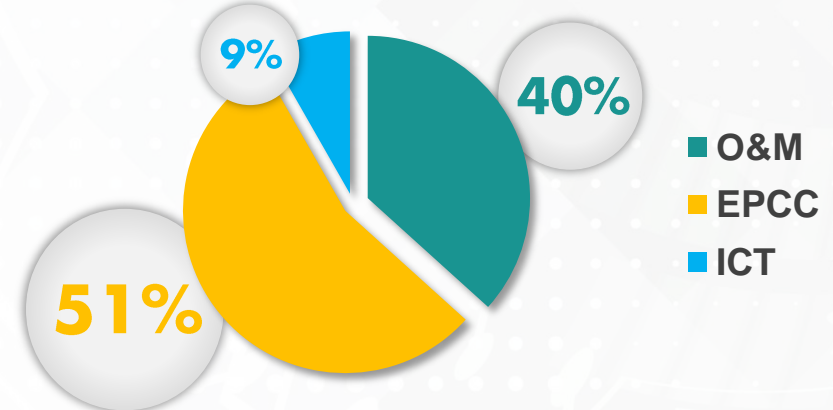
PERCENTAGE BY INDUSTRY



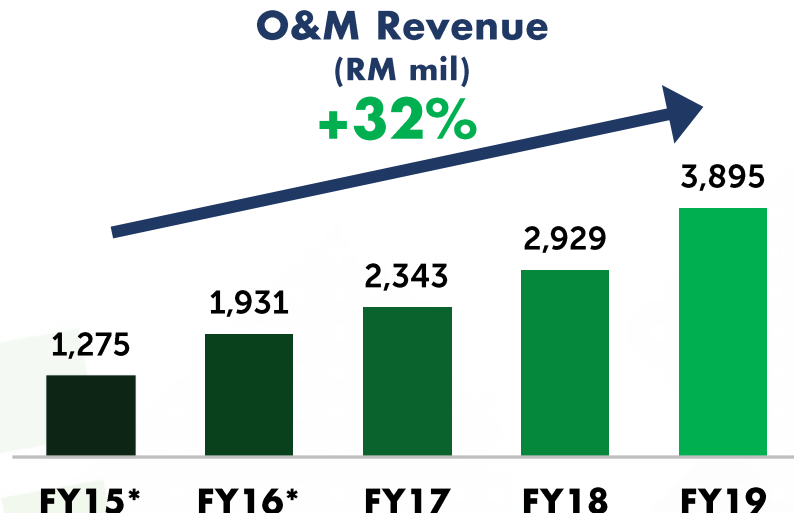
GEOGRAPHICAL



SEGMENTAL



O&M: CONTINUE TO LEAD



Acquisition of technology companies will help to improve cost efficiency and provides manufacturing capability parts and components.



GROWTH STRATEGIES

- Strong orderbook growth trends driven by replenishment of existing contract renewal as well as new tender wins.
- Serba’s position as an independent service provider or an alternative to OEM service providers enables it to price their services more cost effectively
- Despite a low oil-price environment, O&M activities remain essential to ensure operational as well as cost efficiency of these facilities
- With completion of our two Global Centre of Excellence will provides capacity to boost revenue in future.
- Integrated Solutions; Field maintenance, workshop maintenance, troubleshooting using AI, re-engineering & equipment upgrading, parts manufacturing.

BIEH: Uprunning in 2Q20

Bintulu Integrated Energy Hub
30 acres

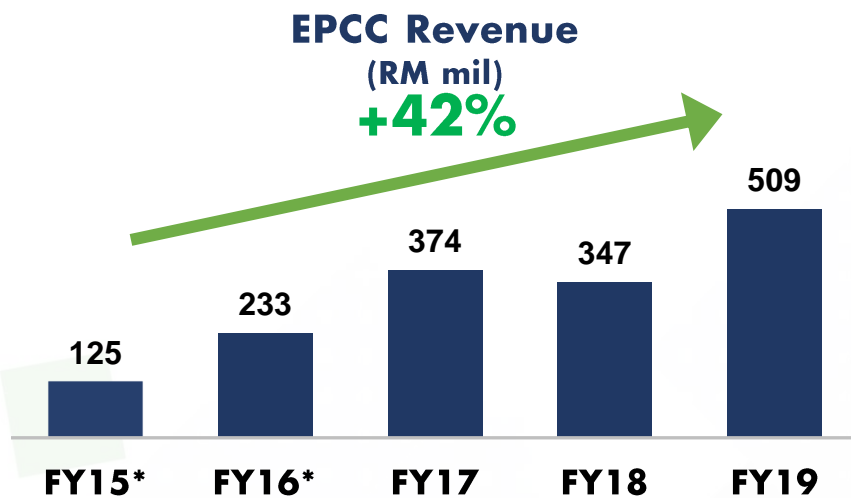


PeiP: Progressing & completion in 4Q20

Pengerang Eco-Industrial Park 57 acres



EPCC: TO LEAP HIGHER



- Expansion of offshore fabrication yard/facilities to expand marine and offshore service segments
- Focus on EPCC + ICT Synergy approach such Innovation Hub, Smart City and Technology Park.



GROWTH STRATEGIES

- Driven by domestic market demands – which make up c. 60% of segmental revenue contribution
- Ridding on the huge industry needs locally and regionally to support O&G related, power generation, water supply as well as water treatment developments
- Tapping into asset ownership business model – build strong base in preparation for future O&M activities roll-out
- Working on 6 internally owned asset ownership projects and eyeing to secure more projects
- Expanding into international markets:



NEPAL



MALDIVES



UAE

BLOCK 7 INNOVATION FACTORY/HUB

US\$1.78 billion (RM7.71 billion) contract in Abu Dhabi, United Arab Emirates

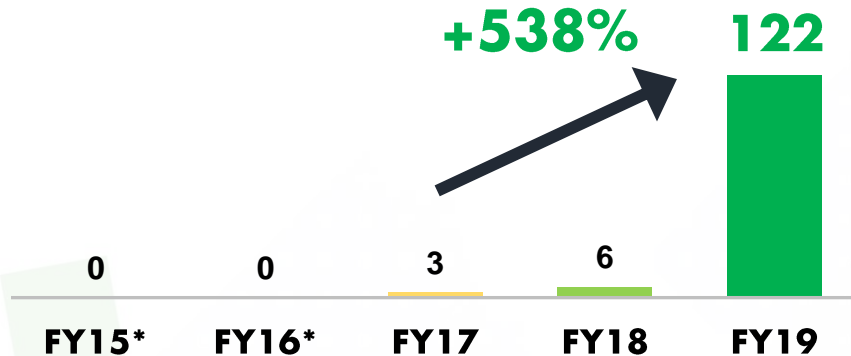
- On 12 April 2020, Serba Dinamik International Ltd, a wholly-owned subsidiary of Serba Dinamik Holdings Berhad has received and accepted a letter of award from Block 7 Investments LLC.
- The project shall cover 3 areas of interest namely the:
 - I. Innovation Hub which includes the development of offices, restaurants, exhibition centres and IT centres
 - II. Academic Campus
 - III. Accommodation which includes apartments and hotels, over a total build-up area of 455,000 sqm.
- The project forms part of Block 7's initiatives to create a global incubator for the advancement of innovators for the technology, property, financial as well as energy sectors, to be positioned as a new landmark for Abu Dhabi.
- The project is targeted to commence on 14 May 2020 and is expected to be completed within 4 years from the commencement date.
- The contract signifies the positioning of the group's ability in the development of innovation hubs and the contents of digital frontier technology.

Total Build-Up Area	455,000 sqm
Target Commencement Date	14 May 2020
Contract Value	US\$1.78billion (RM7.71billion)⁽¹⁾
Duration to Completion	4 years



ICT: ALL GEAR UP TO HIT

IT Revenue (RM mil)



- Acquisition of technology companies and collaboration to enhance on research and development.

eNoah



- Expanding into international markets:



INDONESIA



QATAR



INDIA



UNITED STATES



CHINA

GROWTH STRATEGIES

TARGET MARKET

CONSUMER/RETAIL

- Mobile Application based



- e-Commerce platform



- Digital Theme Park/ Virtual Park



- e-Sports
- Online games

INSTITUTIONAL

- Customize software development
- Smart maintenance platform



EDUCATION & TRAINING: DEVELOPING POTENTIALS

Human resources training to support core business and provide assistances to customers.

International Certification Body



Training & Certification Centre



Materials Technology Education Sdn Bhd
A company owned by IMM & IM Education

Tertiary Education



ENGINEERING CONSTRUCTION INDUSTRY TRAINING BOARD ("ECITB")

- Joint training programmes with international standards and qualifications body that has network of approximately 300 approved training providers which work within engineering construction industry that includes:-
 - Oil & gas
 - Electricity & water
 - Renewable energy
 - Chemical
 - Construction
 - Others

CITY & GUILDS

- Joint training programmes with training institution that offers distinct records of training programs recognised globally.
- The institute which has been founded since 1878 and have more than 140 years of experience to protect and promote the standard of technical education.

MATERIALS TECHNOLOGY EDUCATION SDN BHD (70% OWNED)

- To strengthen technical training programs capabilities.
- Specialising in all IMM Training and Certification Programs in Malaysia, which are recognized by PETRONAS & other energy operators.
- Expected to grow internationally, the company has also made inroad in Turkmenistan to provide training.

UNIVERSITY MALAYSIA OF COMPUTER SCIENCE & ENGINEERING (100% OWNED)

- To enrich education & training services locally & globally with focus on cloud computing, AI & big data, cyber security, IoT, coding as well as business technology.
- To develop future skilled based leaders particularly for its own workforce – developing students' capabilities, competencies & readiness to serve.

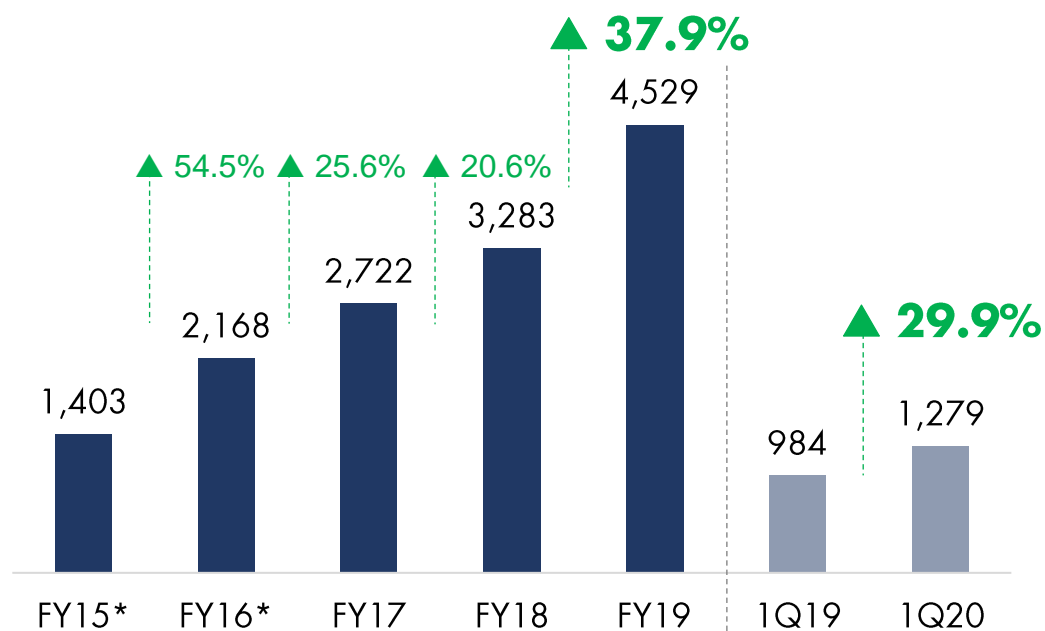


FINANCIAL OVERVIEW



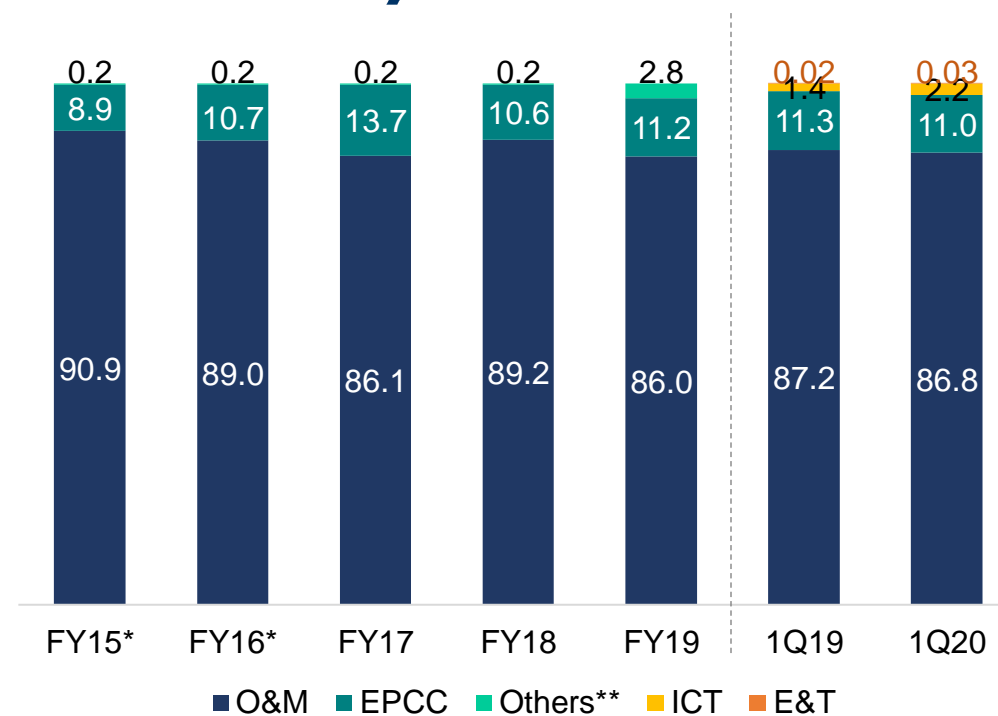
PAVING GROWTH PATH

Total Revenue (RM mil)



Growth Rate (%)	O&M	EPCC	ICT	E&T
1Q19 vs 1Q20	29.2%	26.5%	95.7%	>100%
FY18 vs FY19	33.0%	46.8%	>100%	6.7%

Activity Breakdown (%)



Activity Contribution FY15-20 YTD

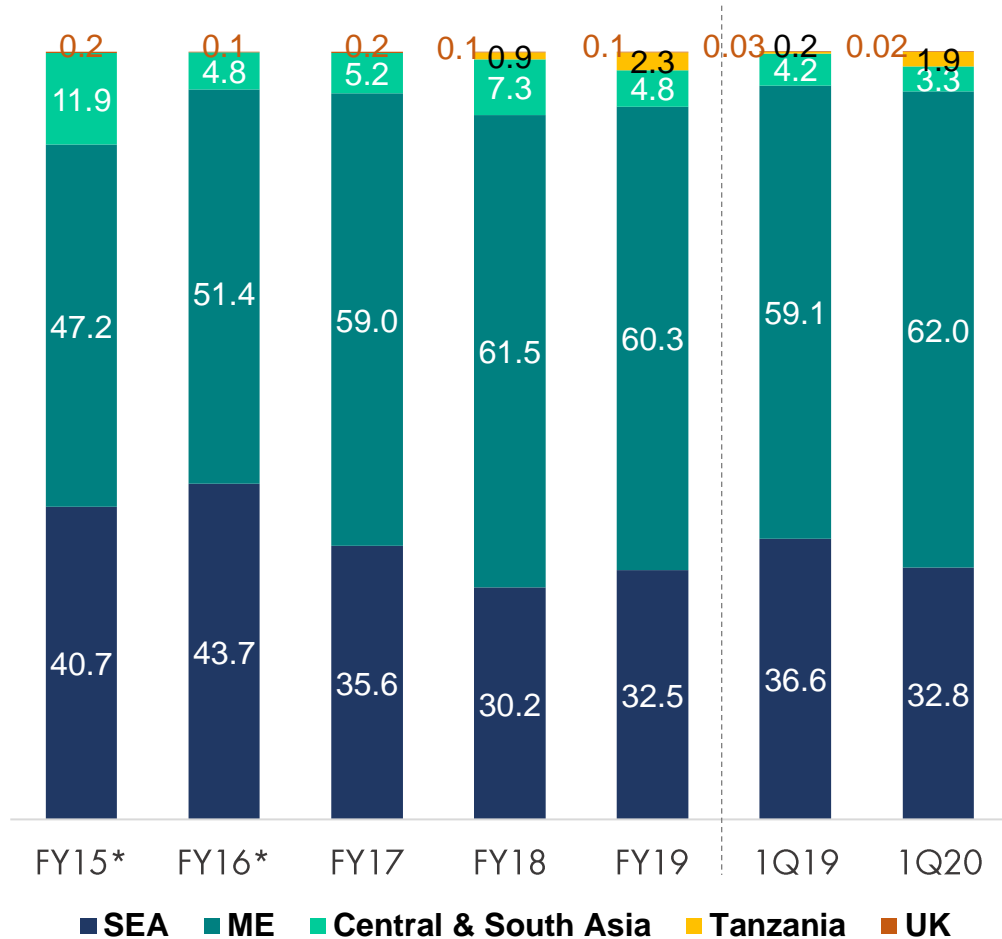
O&M 86-90%	EPCC 9-14%	Others <5%
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* Serba Dinamik Group Berhad's consolidated accounts has been used for the purpose of comparison between current and past years

** Others comprise of ICT & E&T for FY15-19

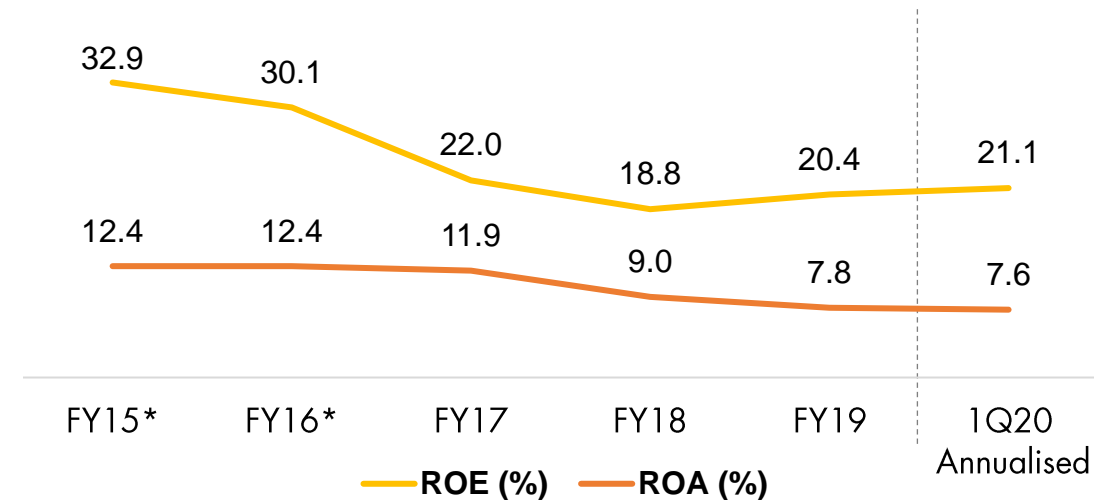
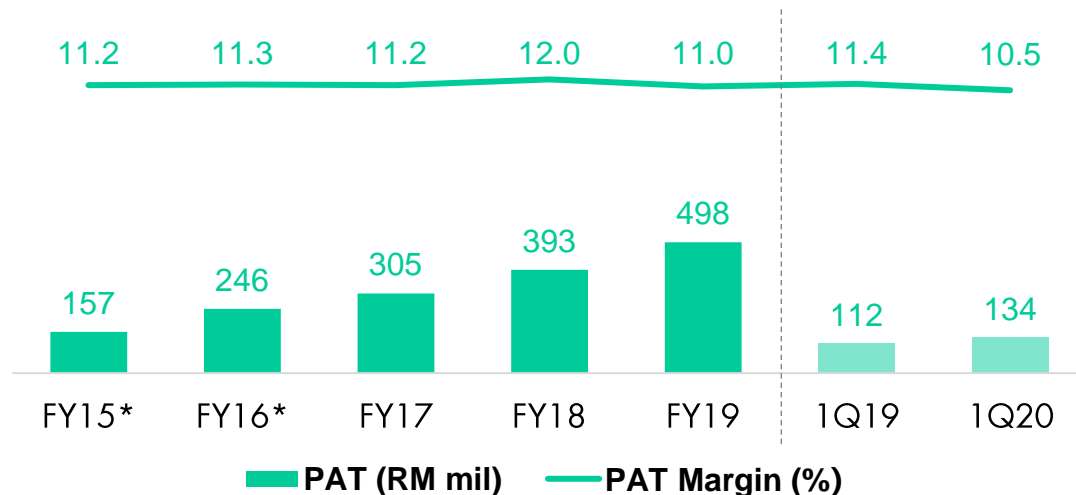
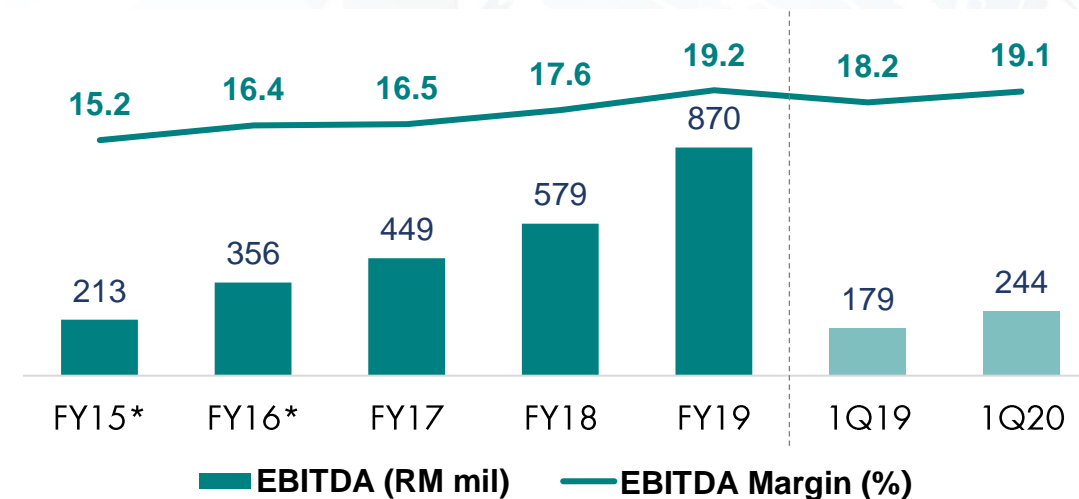
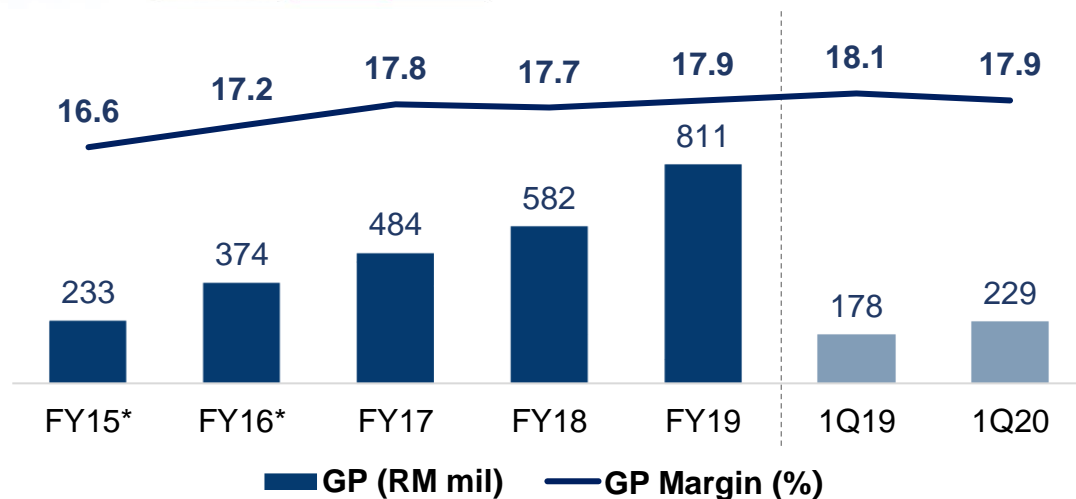
DIVERSIFYING REVENUE STREAMS

Geographical Breakdown (%)

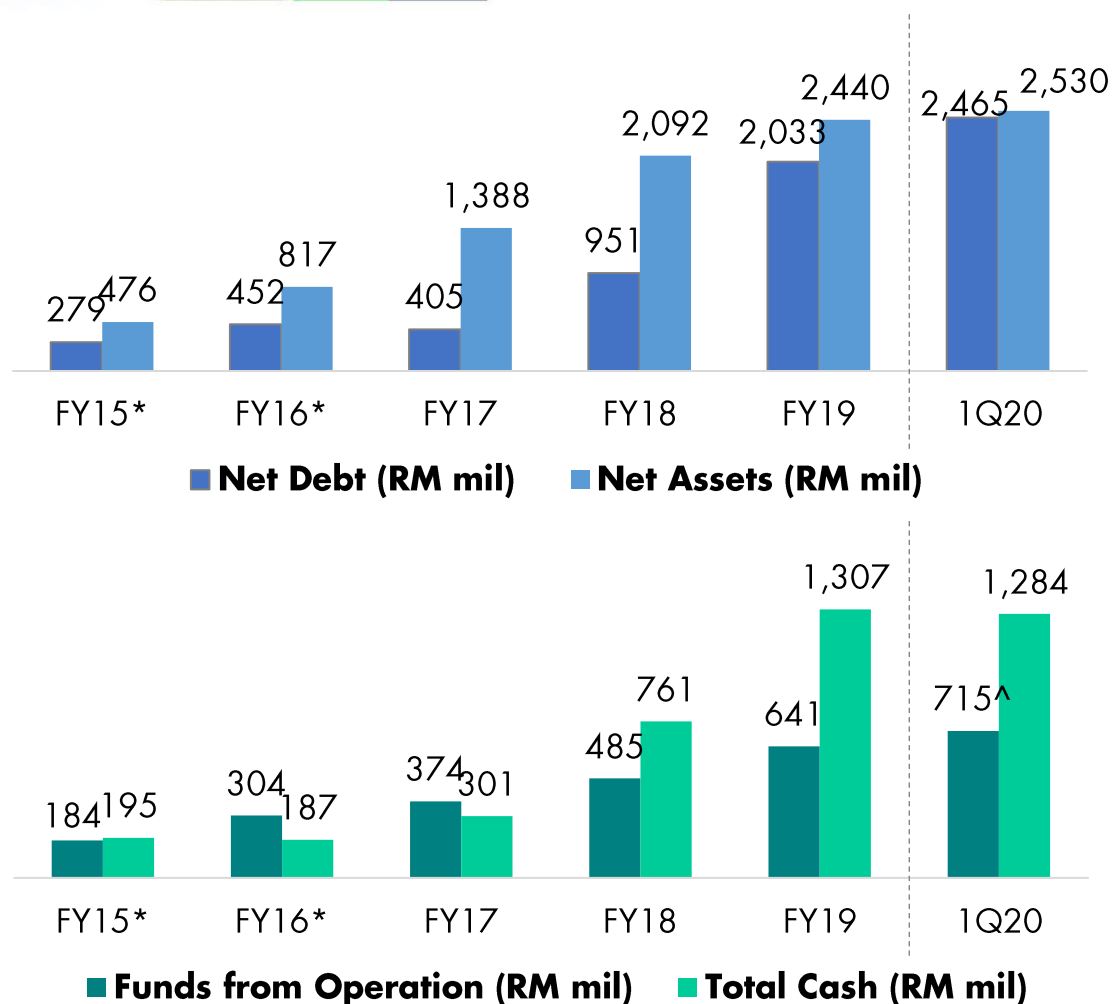


Breakdown (%)	FY15	FY16	FY17	FY18	FY19	1Q19	1Q20
Southeast Asia	40.7	43.7	35.6	30.2	32.5	36.6	32.8
Malaysia	34.6	35.5	31.9	28.0	28.8	31.2	29.9
Indonesia	6.0	8.2	3.7	2.2	3.4	4.6	2.8
Laos	-	-	-	-	0.3	0.8	0.1
Middle East	47.2	51.4	59.0	61.5	60.3	59.1	62.0
Bahrain	0.4	7.6	12.5	10.0	8.4	8.5	7.8
UAE	14.0	9.8	10.6	20.6	19.7	22.0	24.6
Qatar	18.2	16.1	18.0	20.7	27.4	23.1	25.1
Oman	12.7	1.8	4.3	1.4	-	-	1.3
KSA	1.1	12.9	11.2	8.4	4.2	5.5	2.5
Kuwait	0.9	3.1	2.3	0.4	0.6	-	0.7
Central & South Asia	11.9	4.7	5.2	7.3	4.8	4.2	3.3
Turkmenistan	11.9	4.7	5.1	7.2	3.9	3.8	2.1
Kazakhstan	-	-	-	0.1	0.0	-	-
India	-	-	-	-	0.4	0.3	-
Uzbekistan	-	-	-	-	0.5	-	1.2
Tanzania	-	-	-	0.9	2.3	0.2	1.9
UK	0.2	0.1	0.2	0.1	0.1	0.03	0.02

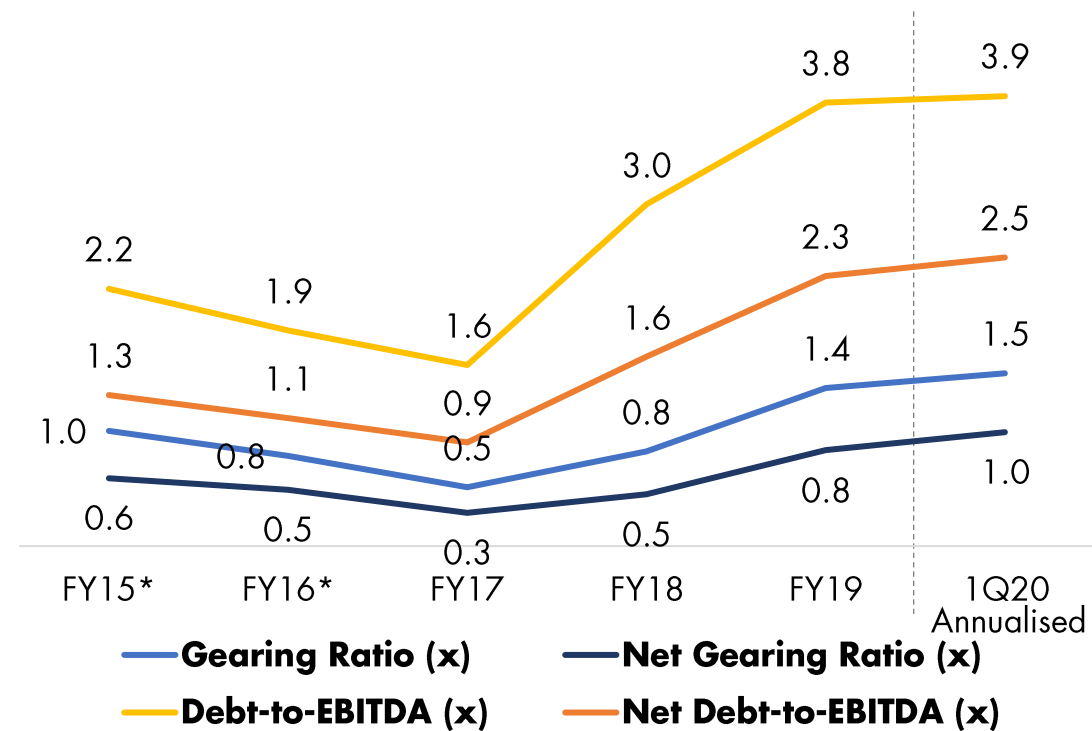
DELIVERING STEADY PROFITABILITY



MANAGING CASH FLOW PRUDENTLY



Rose due to sukuk raised for refinancing purpose and project working capital

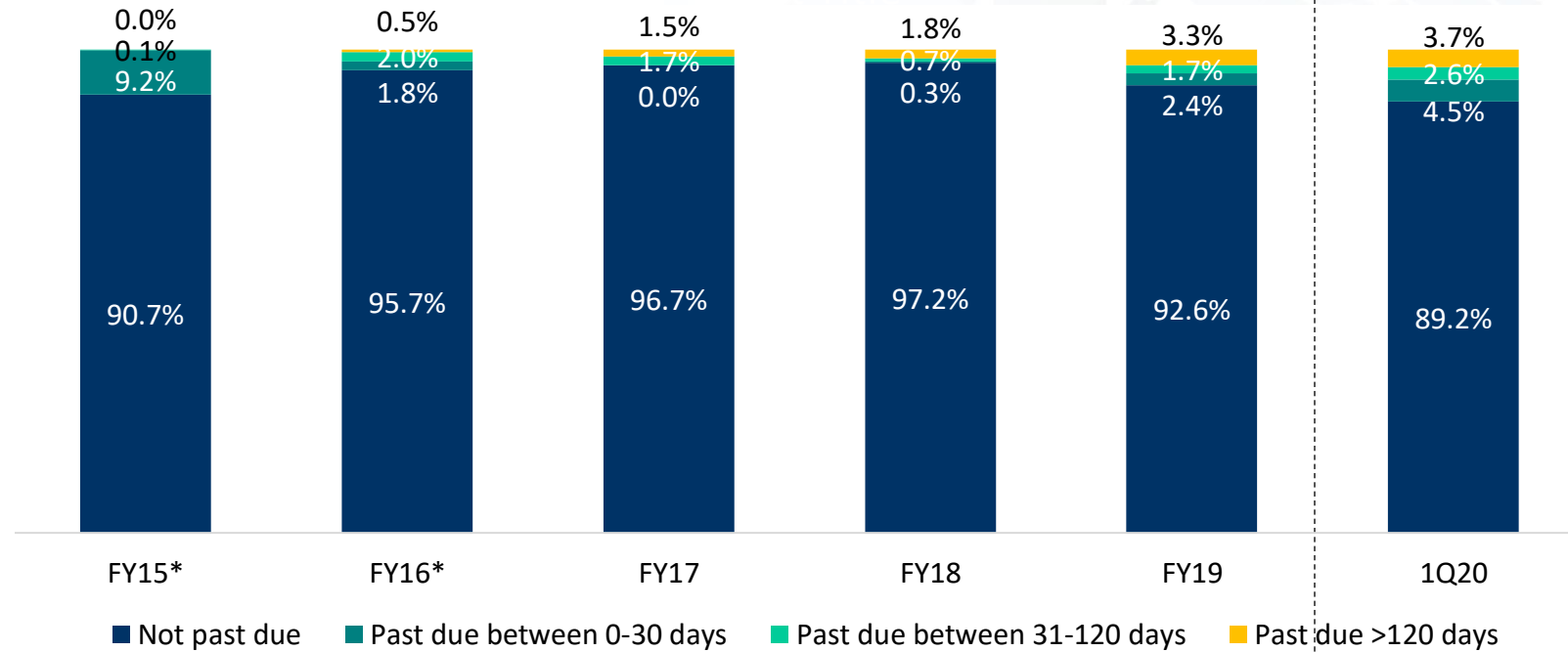


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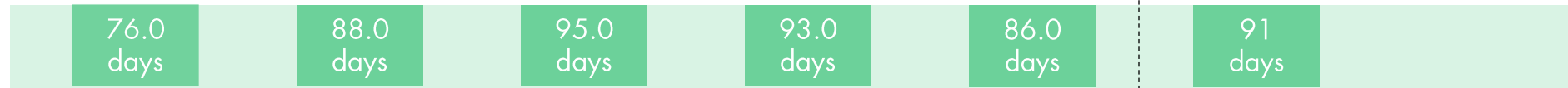
[^] Annualised

PLANNED TRADE RECEIVABLES & PAYABLES

Ageing analysis for trade receivables



Trade receivables turnover⁽¹⁾



Trade payables turnover⁽²⁾



Notes:

(1) Computed based on average trade receivables divided by revenue for the respective financial years multiplied by 365 days.

(2) Computed based on average trade payables divided by cost of operations for the respective financial years multiplied by 365 days.

* Serba Dinamik Group Berhad's consolidated accounts has been used for the purpose of comparison between current and past years

PRUDENT AND DISCIPLINED CAPITAL DEPLOYMENT

Serba maintains a healthy liquidity and debt profile, coupled with access to multiple financing platforms



Equity and debt capital markets

- Equity offering (private placement) in January 2018
- US\$300 million senior Sukuk bond offering in May 2019
- US\$200 million senior Sukuk bond offering in Dec 2019
- RM456.7 million Private Placement in May 2020

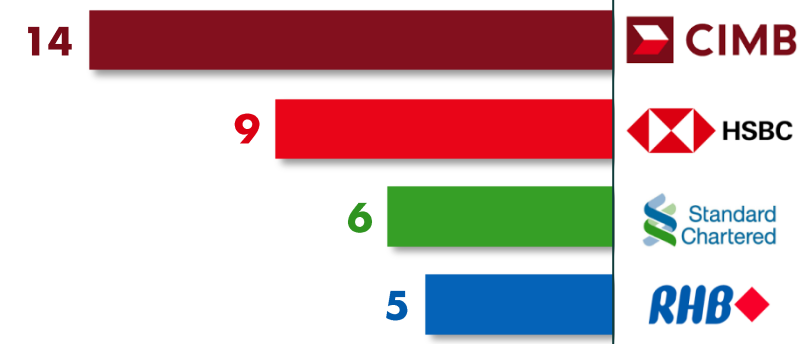


Bank loans and other credit facilities

- Term loan facilities
- Receivable financing facilities
- Trade and revolving credit facilities, etc.
- Total undrawn facilities of c. RM 0.8 billion⁽¹⁾

Established long term banking relationships

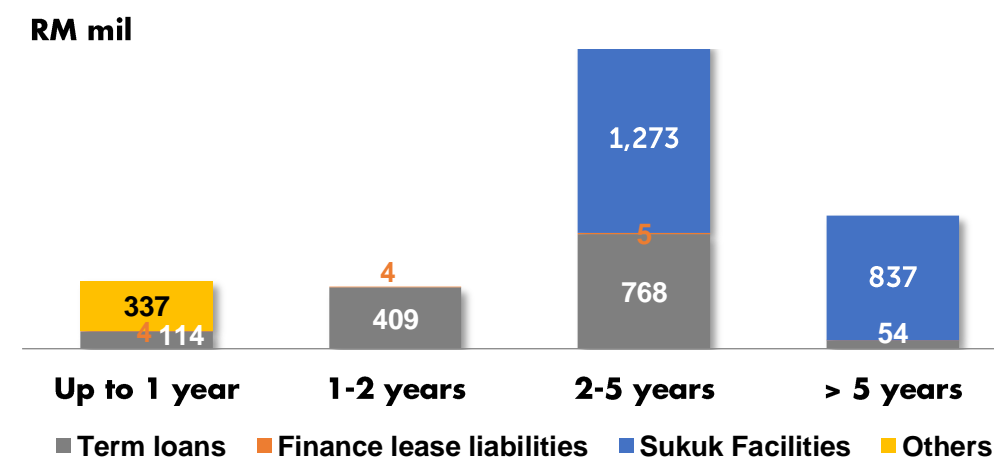
Length of relationship (years)



Breakdown of financings / borrowings

RM mill (as of 31 Mar 2020)	Short term	Long term	Total
Finance lease liabilities	4.3	8.8	13.1
Bank overdrafts	2.2	-	2.2
Revolving credit facilities	334.3	-	334.3
Term facilities	113.6	1,230.5	1,344.1
Sukuk facilities	-	2,109.8	2,109.8
Total	454.4	3,349.1	3,803.5

Debt maturity schedule



Source: Company information as of 31 December 2019.

(1) Based on available facilities as of 31 December 2019.

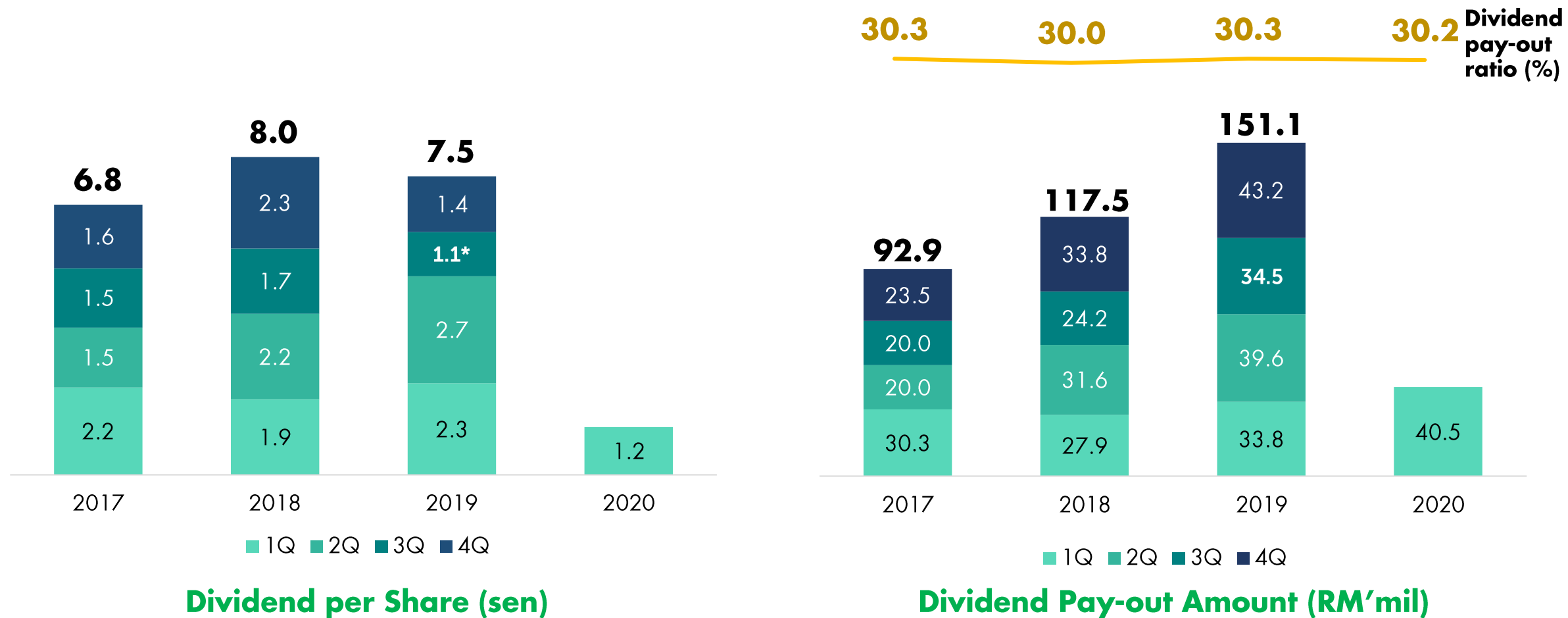
PRIVATE PLACEMENT: UTILISATION UPDATES

Private Placement (Completed on 5 May 2020)	Proposed Utilisation		Actual Utilisation	
	RM mil	%	RM mil	(%)
Working capital To utilised within 12 months	245.6	53.8	-	-
Repayment of bank borrowings To utilised within 24 months	200.0	43.8	-	-
Estimated private placement expenses To utilised immediately	11.1	2.4	7.2	64.8
Total	456.7	100.0	7.2	1.6



CONSISTENT DIVIDEND COMMITMENT

Policy: At least 30% of PAT



* Lower DPS yet higher payout amount as share base enlarged from 1,468,500,000 to 3,083,849,878 through share split & bonus issue exercise in 2019



THANK YOU

For more information, please refer to: <http://serbadinamik.com/>



APPENDICES

SUSTAINABILITY – BUSINESS MODEL

