



SERBA DINAMIK
HOLDINGS BERHAD

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GLOBAL INTEGRATED ENGINEERING SERVICES PROVIDER

EXTRAORDINARY GENERAL MEETING

20th January 2021





PROPOSED PRIVATE PLACEMENT



Up to
336,830,000
new Placement Shares

Representing approximately 10% of the existing total number of issued shares in SDHB (excluding treasury shares) as at 30 November 2020, being the latest practicable date prior to the announcement



Issue price determined
book building exercise,
based on
5-day VWAP
preceding Price Fixing
Date, with $\leq 10\%$ discount

Issue price to be determined by the Board through an international book building process and announced on the Price Fixing Date



Illustrative proceeds
~RM538.93
million

Based on illustrative price of RM1.60 per Placement Share and assuming maximum demand for the Placement Shares



PROPOSED PRIVATE PLACEMENT (CONT'D)

Total Placement Shares
($\leq 10\%$)

≤ 336.83 million

Placement to
Dato' Karim
($\leq 3\%$)

**≤ 101.05
million**

Placement
Shares

- The Proposed Placement to Dato' Karim is within and part of the Proposed Private Placement
- Will further align the interest and commitment of Dato' Karim to enhance the future financial performance of SDHB
- The Interested Directors will abstain from voting and ensure that the persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings in SDHB on the resolution pertaining to the Proposed Placement to Dato' Karim at the EGM



UTILISATION OF PROCEEDS

Please refer to Section 4 of the Circular for further details

**RM100.00
million**

Partial repayment
of bank borrowings

- New loans in 2020 taken up for:
 - Opportunistic sukuk repurchase (Total loan: RM393.6 million)
 - Strategic purchase of TR Yard (Total loan: RM224.0 million)
- Early repayment to preserve the gain on sukuk repurchase & generate interest savings
- Repayment priority to be determined based on relative cost of borrowings

**RM24.00
million**

Gross gain on
opportunistic
sukuk repurchase

**RM4.27
million p.a.**

Interest savings

**RM100.00
million**

Capital expenditure
for TR Yard

- Rejuvenation of TR Yard involving purchase and installation of fabrication and transport equipment and restoration of existing building facilities over 24 months
- Minor fabrication works for the Group's EPCC segment & potential leasing of a portion of the TR Yard area to commence in 2021
- TR Yard to commence marine related activities and services after licenses received by the 4Q 2021
- Several work packages from SDHB's existing contacts to be fabricated in the TR Yard
- In-house fabrication capabilities under TR Yard to increase SDHB's profile in bidding for offshore and marine contracts in the oil & gas sector



UTILISATION OF PROCEEDS (CONT'D)

Please refer to Section 4 of the Circular for further details

**RM326.54
million**

Working capital

- EPCC contract: Abu Dhabi Innovation Hub Project (55%)
- EPCC contract: Abu Dhabi Data Centre Project (35%)
- General working capital (10%)
- Any excess or shortfall from the total illustrative proceeds of RM538.93 will be adjusted out of this allocation

Typical international gross
profit margin

12% - 20%

Abu Dhabi Data Centre Project



Contract value
**RM1.5
billion**

Client: Future Digital Data Systems L.L.C

Scope: Developing a data centre and its related facilities, infrastructure, and landscaping

Status: Early planning stage

Project Period: 3Q20 – 3Q24 (4 years)

Commence initial construction: **1Q 2021**

Abu Dhabi Innovation Hub Project



Contract value
**RM7.7
billion**

Client: Block 7 Investments L.L.C

Scope: Developing an innovation hub, academic campus, related facilities and IT infrastructure

Build-up size: 455,000 sqm

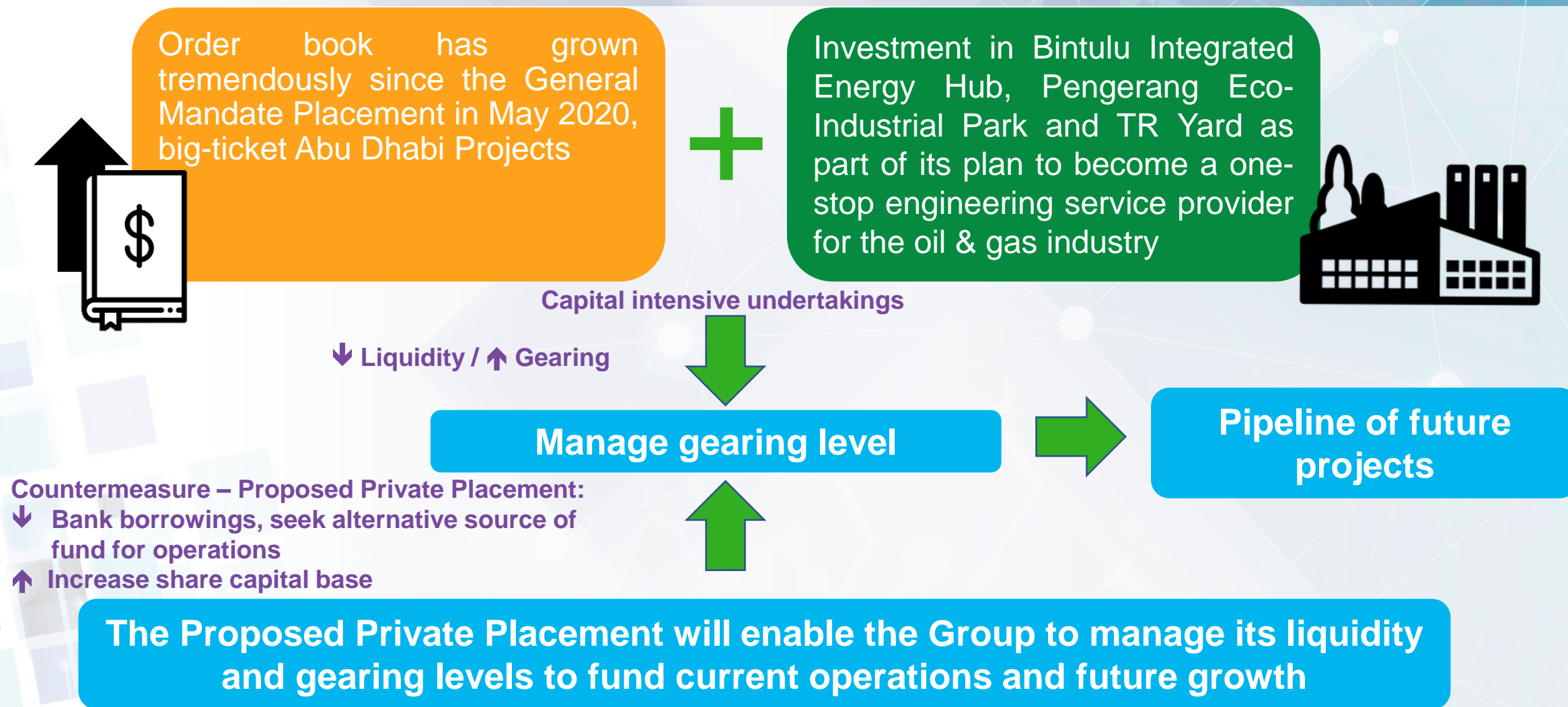
Status: Design & preliminary work preparations

Project Period: 2Q20 – 2Q24 (4 years)

Commence initial construction: **1Q 2021**

RATIONALE

Please refer to Section 3 of the Circular for further details





EFFECTS OF THE PROPOSED PRIVATE PLACEMENT

Please refer to Section 6 of the Circular for further details

Net assets and gearing

	As at 15 December 2020	After the Proposed Private Placement
Share capital (RM'000)	1,790,429	*2,329,357
Number of Shares outstanding (excluding treasury shares) ('000)	3,372,794	3,709,624
Net assets (RM'000)	2,722,975	3,249,513
Gearing ratio (times)	1.23	1.00

* Based on illustrative price of RM1.60 per Placement Share

Earnings and earnings per Share

- The Proposed Private Placement is not expected to have any immediate material effect on the earnings for the FYE 31 December 2020, save for the potential dilution in the EPS of the Group as a result of the increase in the number of Shares in issue arising from the Proposed Private Placement

Shareholders' shareholdings

- The Proposed Private Placement will result in a dilution to the existing shareholders' shareholdings in SDHB



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THANK YOU