

SAM Engineering & Equipment (SEQB MK)

Not Rated

Two Engines Poised To Take Off

Fair Value (Return):	MYR6.00 (+32.0%)
Price:	MYR4.56
Market Cap:	USD757.7m
Avg Daily Turnover (MYR/USD):	4.3m/1.1m

- **MYR6.00 FV based on 33x FY28F (Mar) P/E.** Building on the initial recovery in FY26, we expect a J-curve earnings recovery into FY27F-28F as the equipment segment ramps up and aerospace segment's profitability normalises. This is anchored by the ongoing semiconductor equipment upcycle, structural aerospace demand coupled with Thailand expansion and expected operating leverage as the redundancy and relocation costs dwindle. Backed by a robust MYR6.1bn orderbook, SAM Engineering & Equipment is a sector laggard play among sub-sector industry leaders with twin growth engines.
- **Semiconductor equipment upcycle.** The semiconductor equipment cycle is entering a multi-year upcycle, with global sales forecast to grow 23.2% YoY to USD165.9bn in 2026, before reaching USD201.2bn/USD229.5bn in 2027-2028, driving higher OEM capex and equipment outsourcing, supporting NPI ramp-ups, order replenishment and higher utilisation into FY27F-28F. SEQB is primed to benefit through its equipment segment, which accounted for c.62% of FY26 group revenue, with its strong capabilities in both sheet metal and machining coupled with exposure across both front-end wafer fabrication and back-end testing/advanced packaging segments.
- **Aerospace is poised for structural growth and margin recovery.** Airbus and Boeing are ramping single-aisle production, with Airbus targeting 70-75 aircraft/month by end-2027 (c.60-65/month current production rate), while Boeing's backlog exceeds 4,000 aircraft, providing strong programme visibility. Engine-case volume production in Thailand began in Jan 2026, while the ongoing casing production relocation from Singapore targets to complete by FY28 (Mar). Aerospace made up c.29% of 1QFY27 revenue but remained in loss-making position - dragged by the temporary cost redundancy and relocation activities. Higher production volumes and margin recovery can be expected moving forward as the relocation activities dwindle (normalising transition costs), operating leverage and improved efficiency in Thailand.
- **Thailand expansion provides the operating-leverage kicker.** SEQB's Thailand footprint has expanded to c.340k sq ft following completion of c.133k sq ft BB3 plant but remains only c.two-thirds utilised vs relatively high utilisation in Penang. This provides room to absorb new and transferred volumes while freeing Penang for higher-value NPI. MYR103m was invested in FY26, mainly on Thailand expansion and casing relocation, while higher utilisation should improve its equipment segment fixed-cost absorption and margin from 9.1% in 1QFY27 (4QFY26: 7.5%) towards normalised levels of c.12%. The decommission of its Singapore facilities by 2HFY28 is also expected to boost its margin moving forward given the lower cost base in Thailand.
- **Forecasts and valuation.** We forecast FY26-29 core earnings CAGR of c.51%, driven by elevated semi equipment capex cycle, NPI ramp-up, higher Thailand utilisation, and aerospace margin normalisation. Our MYR6.00 FV at 33x P/E (+1.5SD of its 5-year mean) reflects the underlying earnings profile as more meaningful unwinding of the relocation/redundancy costs to be reflected in the FY28F. Key risks include contract losses, transition delays, and FX.

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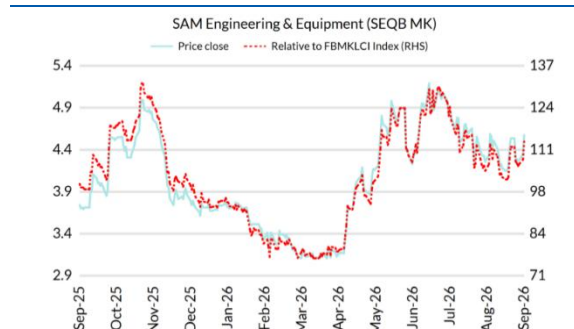


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Share Performance (%)

	YTD	1m	3m	6m	12m
Absolute	22.5	7.5	8.3	47.4	22.5
Relative	20.5	8.8	6.2	47.6	14.4
52-wk Price low/high (MYR)				3.09-5.19	



Source: Bloomberg

Forecasts and Valuation	Mar-25	Mar-26	Mar-27F	Mar-28F	Mar-29F
Total turnover (MYRm)	1481	1441	1655	1776	1872
Recurring net profit (MYRm)	93	46	74	123	160
Recurring net profit growth (%)	-14.0	-50.3	59.8	66.7	29.8
Recurring P/E (x)	33.2	66.7	41.8	25.0	19.3
P/BV (x)	2.2	2.3	2.2	2.1	1.9
P/CF (x)	18.0	31.5	51.6	17.8	14.1
Dividend Yield (%)	0.6	0.3	0.5	0.9	1.1
EV/EBITDA (x)	14.5	19.2	16.5	12.3	10.2
ROE (%)	6.4	3.4	5.3	8.3	10.0
Net debt to equity (x)	0.2	0.2	0.2	0.1	0.1

Source: Company data, RHB

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Financial Exhibits

Asia					
Malaysia					
Technology					
SAM Engineering & Equipment					
SEQB MK					
Not Rated					

Source: Company data, RHB

Investment Thesis

Two complementary growth engines

Diversified growth across semiconductors and aerospace. SEQB's exposure to semiconductor equipment and aerospace provides a diversified growth base, with its equipment segment contributing c.62% of FY26 revenue and the aerospace segment c.38%. Equipment should remain the key earnings driver for FY27F, supported by the semiconductor upcycle, stronger front-end and hard disk drive (HDD) demand, NPI ramp-ups and improving utilisation, while aerospace provides longer-duration visibility from Airbus/Boeing programmes. We see stronger equipment order replenishment and progressive NPI conversion supporting FY27F–28F growth, with aerospace volumes ramping alongside the progressive unwinding of relocation and start-up costs, leading to a more meaningful earnings contribution from FY28F.

Figure 1: Revenue of key customers (FY24-26)

MYRm	FY24	FY25	FY26
Equipment			
Customer A	597	552	448
Customer B	221	203	208
Top 2 customers	819	754	656
% of Group revenue	55%	51%	46%
% of segment revenue	77%	79%	73%
Aerospace			
Customer C	97	225	249
Customer D	231	208	192
Top 2 customers	328	433	441
% of Group revenue	22%	29%	31%
% of segment revenue	76%	83%	81%
Total top 4 customers	1147	1187	1097
% of Group revenue	77%	80%	76%

Source: Company data

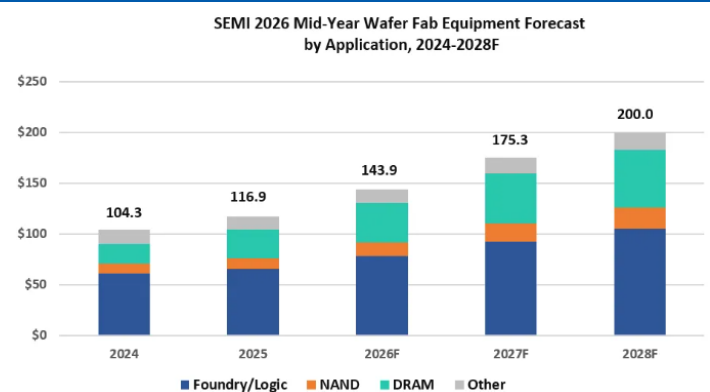
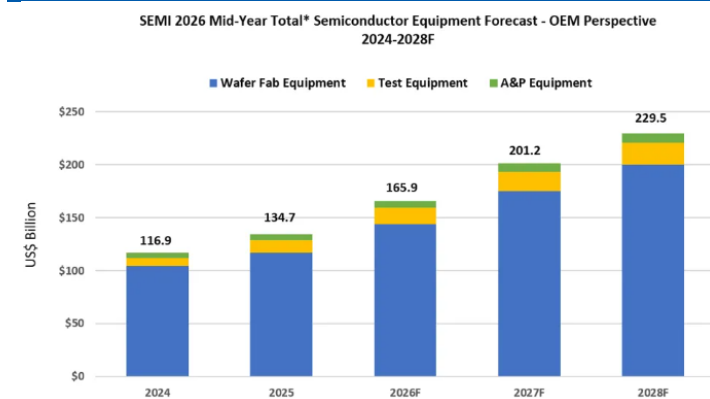
Deep customer relationship supports earnings visibility. SEQB's long-standing relationship with global semiconductor equipment OEMs and aerospace customers provides recurring programme visibility, with Customer A and B contributing MYR656m (c.46% of FY26 revenue) and Customer C and D MYR441m (c.31%). In equipment, the group supports customers from NPI through qualification and volume production, while new customer wins are broadening its customer base. This should support continued order replenishment and diversify its customer base over time.

Semiconductor capex upcycle

Semiconductor upcycle supports equipment ramp-up. The semiconductor equipment market is entering a strong multi-year upcycle, with total equipment sales forecast to rise 23.2% YoY to USD165.9bn in 2026, USD201.2bn in 2027 and USD229.5bn in 2028, driven by AI, leading-edge logic and memory investments. WFE spending is similarly forecast to grow 23.1%, 21.8% and 14.1% in 2026-2028, while test equipment is expected to grow 31.0% in 2026. This provides a favourable backdrop for SEQB's equipment segment, which should benefit from higher outsourcing demand for precision machined components, equipment modules and cleanroom assemblies. With front-end demand expected to strengthen from FY27F and HDD orders secured through FY28, we see stronger order replenishment, NPI conversion and improving factory utilisation supporting a sustained equipment ramp-up through FY27F-28F.

Figure 2: Total semiconductor equipment market by segment (USDbn)

Figure 3: Wafer fab equipment forecast by application



Note: *Total equipment includes new wafer fab, test, assembly, and packaging, but does not include wafer manufacturing equipment

Source: SEMI Equipment Market Data Subscription (EMDS), Jul 2026

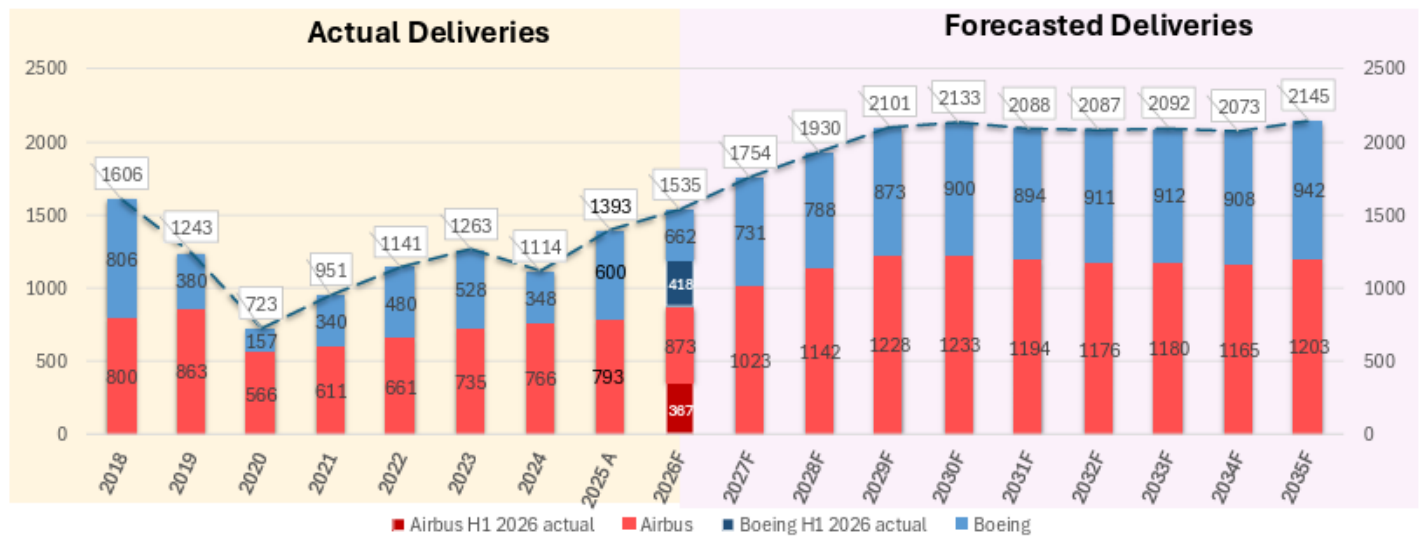
Source: SEMI Equipment Market Data Subscription (EMDS), Jul 2026

Strong customer and order visibility. Equipment remained the key growth driver in 1QFY27, with revenue rising 27.3% YoY to MYR301.7m and PBT increasing 17.8% YoY to MYR27.4m, lifting PBT margin to 9.1% from 7.5% in 4QFY26. The group's two largest customers contributed MYR655.5m (c.46% of FY26 group revenue), reflecting SEQB's deep and established relationships with key global equipment OEMs. More importantly, the programme orderbook increased to MYR6.1bn from MYR5.3bn in 4QFY26, mainly driven by equipment, with demand from semiconductor front-end and HDD customers. Management noted that the majority of incremental orders are new, while equipment programmes can carry 6-18 months of visibility. We see stronger order replenishment and NPI conversion supporting equipment growth and higher utilisation through FY27F-28F.

Multi-year aerospace production ramp

Structural aerospace growth. The global commercial aerospace industry remains on a multi-year production ramp, supported by 3.6% passenger traffic CAGR through 2044, fleet expansion and replacement demand for more fuel-efficient aircraft. Airbus forecasts demand for more than 43,000 new aircraft over the next 20 years, with single-aisle aircraft accounting for c.77% of deliveries. Reflecting this favourable outlook, Airbus targets A320 Family production of 70–75 aircraft per month by end-2027, while Boeing aims for 57 737 MAX aircraft per month by early 2027. The continued narrow-body production ramp should drive higher engine and component demand, providing a favourable backdrop for SEQB's aerospace segment, particularly its exposure to engine casings, nacelle structures and other precision-engineered components.

Figure 4: Aerospace deliveries forecast



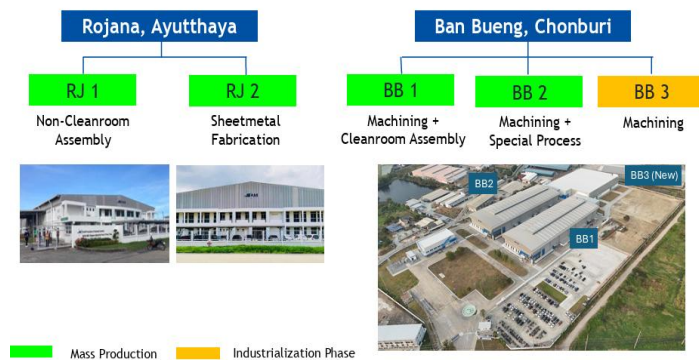
Source: Airbus and Boeing Jul'25 (actual), Forecast International Jul 2026 (forecasted)

Thailand transition underpins earnings recovery. SEQB's aerospace segment generated MYR122m revenue in 1QFY27 but remained loss-making at MYR8.8m LBT, reflecting redundancy, relocation and start-up costs during the Singapore-to-Thailand transition. Engine-casing production is being progressively relocated to Thailand, where utilisation is currently around two-thirds, with the remaining capacity being progressively equipped and industrialised as programmes ramp up. As the relocation progresses, Singapore-Thailand costs should unwind while Thailand's lower labour and utility cost base and improving efficiency support margin normalisation. We expect aerospace to become a more meaningful earnings contributor from FY28F as casing production reaches volume production in Thailand.

Manufacturing footprint supports operating leverage

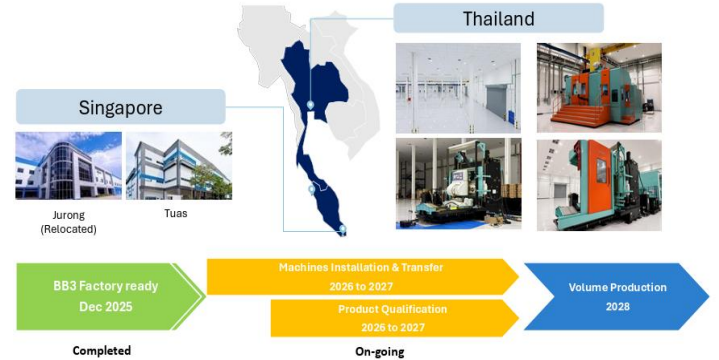
Expanding and repositioning its manufacturing footprint. SEQB's Thailand footprint has expanded to c.340k sq ft following completion of the c.133k sq ft BB3 plant, with Thailand currently c.two-thirds utilised. The remaining capacity is being progressively equipped and industrialised as programmes ramp up, while selected legacy products can be shifted from Penang to Thailand to free capacity for higher-value NPI. MYR103m was invested in FY26, mainly on Thailand expansion and casing relocation, while higher utilisation should improve equipment fixed-cost absorption and margin from 9.1% in 1QFY27 (4QFY26: 7.5%) towards our normalised assumption of c.12%. The completion of the remaining Singapore to Thailand facilities by FY28 should further support margins as production shifts to Thailand's lower labour and utility cost base.

Figure 5: Thailand – Rojana and Ban Bueng



Source: Company data

Figure 6: Relocation of casing business to Thailand



Source: Company data

Higher utilisation should translate into stronger operating leverage. SEQB invested MYR103.1m in FY26, mainly on Thailand expansion and the Singapore-to-Thailand engine-casing relocation, while 1QFY27 capex was MYR21.6m. With Thailand still in transition, progressive equipment installation, workforce ramp-up and programme industrialisation should improve utilisation and fixed-cost absorption, while the casing transfer should lower the cost base as transition costs normalise. Equipment offers the nearer-term margin upside, with 1QFY27 PBT margin at 9.1% vs 7.5% in 4QFY26, while aerospace remained loss-making at -7.0%. We expect equipment margin to improve from FY27F, followed by more meaningful aerospace margin recovery from FY28F as casing production reaches volume production in Thailand.

Financial Overview

Results highlights. SEQB's 1QFY27 revenue rose 21.8% QoQ and 14.7% YoY to MYR424.1m, driven by equipment, with revenue up 29.8% QoQ and 27.6% YoY to MYR301.7m on stronger semiconductor and data-storage/HDD demand. Aerospace revenue rose 6.1% QoQ to MYR122m on higher casing and structural production, but declined 8.0% YoY on lower casing sales and unfavourable FX. Group PBT nearly doubled QoQ to MYR18.6m (+99.8% QoQ), but fell 13.0% YoY, as the MYR10.0m QoQ increase in equipment PBT to MYR27.4m was partly offset by wider aerospace losses of MYR8.8m (4QFY26: MYR8.1m). Equipment PBT margin improved to 9.1% from 7.5% QoQ, although FX and cost pressures remained. PAT rose 148% QoQ to MYR13.0m but fell 20% YoY, reflecting higher Aerospace transition/start-up costs alongside FX and operating-cost pressures.

Balance sheet should strengthen as earnings recover. SEQB remains adequately funded despite its ongoing capacity expansion, with c.MYR388m net debt as of 1QFY27. The group invested MYR103.1m in FY26, mainly towards Thailand expansion and the Singapore-to-Thailand casing relocation, positioning the enlarged footprint for higher utilisation and operating leverage. As equipment recovery and the gradual aerospace ramp-up lift earnings, core earnings are forecasted to rise from MYR46m in FY26 to MYR160m in FY29, ROE to recover from 3.4% in FY26 to 10.0% by FY29F as earnings normalise. Improving earnings and working-capital conversion should support operating cash flow over time, allowing the group to fund part of its ongoing capex internally and gradually reduce net debt. DPS remains modest at 1.4 sen following the reduction from 2.8 sen in FY25.

Figure 7: 1QFY27 results review

FYE Mar (MYRm)	1Q26	4Q26	1Q27	QoQ (%)	YoY (%)
Revenue	369.6	348.1	424.1	21.8	14.7
Gross Profit	40.6	25.6	43.5	70.2	7.2
GP margin (%)	11.0	7.3	10.3	(2.9)	(0.7)
Adjusted EBITDA	48.8	35.4	47.1	33.0	(3.4)
Adjusted EBITDA margin (%)	13.2	10.2	11.1	(0.9)	(2.1)
Depreciation	(25.8)	(24.4)	(25.1)		
Adjusted EBIT	23.0	11.1	22.1	99.5	(4.1)
EBIT margin (%)	6.2	3.2	5.2	(2.0)	(1.0)
Interest Income	(0.1)	0.5	(0.1)	(114.6)	7.8
Interest Expense	(3.0)	(2.0)	(3.0)	50.2	(1.6)
Reported PBT	21.4	9.3	18.6	99.8	(13.0)
Tax	(5.2)	(4.1)	(5.6)	38.0	7.2
Effective tax rate (%)	24.4	43.6	30.1		
Minority Interest	0.0	0.0	0.0		
Net Profit	16.2	5.3	13.0	147.7	(19.6)
Core Profit	14.6	6.3	13.4	112.8	(8.6)
Core net margin (%)	4.0	1.8	3.2	(1.3)	(0.8)

Source: Company data, RHB

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Figure 8: Segmental earnings

FYE Mar (MYRm)	1Q26	4Q26	1Q27	QoQ (%)	YoY (%)
Revenue					
Aerospace	133.1	115.7	122.3	5.7	-8.1
Equipment	236.5	232.4	301.7	29.9	27.6
Total	369.6	348.1	424.1	21.8	14.7
Reported PBT					
Aerospace	(1.8)	(8.1)	(8.8)	7.6	379.1
Equipment	23.3	17.5	27.4	56.9	17.8
Total	21.4	9.3	18.6	99.8	-13.0
PBT Margin (%)					
Aerospace	(1.3)	(6.9)	(7.0)	1.4	430.2
Equipment	9.8	7.5	9.1	20.9	-7.5
Total	5.7	2.7	4.4		

Source: Company data, RHB

Valuation And Forecasts

Explosive earnings growth into FY27F-29F. We forecast core earnings to grow at c.51% CAGR over FY26-29F, following the FY26 earnings trough (transition period due to relocation/start-up costs), with growth led by equipment recovery, progressive NPI ramp-up, higher Thailand utilisation and eventual aerospace margin normalisation. Growth is underpinned by the multi-year semiconductor equipment upcycle, particularly stronger storage/HDD demand, while stronger HDD demand and new equipment projects/NPI programmes provide additional volume upside. These are reflected in SEQB's programme orderbook of MYR6.1bn (an increase from MYR5.3bn in 4QFY26), mainly driven by the equipment segment. Note that the additional relocation and redundancy costs which have been dragging its FY25-FY26 earnings thus far should progressively normalise in FY27F-28F as its Thailand facilities gains efficiency and relocation of Singapore facilities full completed. Our forecasted margins are conservative at 6-11% vs the 13-15 % PBT margin for the equipment segment recorded back in 2021-2022 upcycle while the aerospace segment took a hit during the COVID-19 period. We forecast a 24% effective tax rate, reflecting Singapore's deferred tax effects and Thailand's tax exemptions, with unrecognised tax benefits on losses in Singapore.

Equipment leads the growth; aerospace to follow. Equipment should remain the key earnings driver for FY27F as front-end semiconductor demand strengthens and higher margin NPI programmes ramp with customers expanding production in Asia. Meanwhile, higher utilisation at Thailand facilities should improve fixed-cost absorption, evidenced in Equipment PBT margin of 9.1% in 1QFY27 (up from 7.5% in 4QFY26), with rooms for further improvement given the industry average of a double-digit margin. Aerospace should become a more meaningful profit contributor from FY28F as engine-case volumes ramp in Thailand and the Singapore-to-Thailand casing transfer progresses towards volume production, improving cost competitiveness and normalisation of the transition costs. The enlarged Penang-Thailand footprint has potential revenue capacity of c.MYR2.0-2.5bn at full utilisation, providing further growth runway through FY27F-29F.

Valuation supported by earnings recovery. SEQB trades at c.25.3x FY28F P/E, below the c.29.4x average of peers, despite its extensive capabilities and stronger exposure to front-end semiconductor equipment and diversified Aerospace operations. We believe the valuation gap can narrow as the semiconductor upcycle drives growth in equipment, new higher value NPI programmes ramp and Thailand utilisation improves, while the aerospace casing relocation and engine-case ramp-up should progressively reduce transition costs and support margin recovery from FY27F-28F.

While FY27F valuation may not appear to be overly attractive, we believe that the earnings profile is masked by the relocation, new start-up and redundancy costs in Thailand. We expect these costs to unwind progressively in FY27F and fully normalised in 2HFY28F as the relocation of its second plant (Tuas) in Singapore to Thailand is expected to be fully completed. We therefore value SEQB at 33x FY28F P/E, to better reflect its underlying earnings profile, coupled with strong visibility and structural exposure to the semiconductor and aerospace upcycle.

Our MYR6.00 FV, based on 33x P/E or +1.5SD falls within the range of the bigger cap peer average, which we believe is justified by SEQB's higher-quality front-end semiconductor exposure, entrenched global OEM relationships and improving earnings trajectory. We forecast c.51% core earnings 3-year CAGR over FY26-29F, underpinned by: i) Equipment recovery from the semiconductor capex upcycle and NPI ramp-up, ii) higher utilisation of the expanded Thailand footprint, iii) Aerospace recovery as engine-case volumes ramp and casing production transfers to Thailand, and iv) margin recovery to provide additional earnings leverage as equipment utilisation improves fixed-cost absorption and aerospace transition costs normalise. Should group PBT margin recover towards the historical 11-13% range seen in FY18-20 (FY26: 4.4%) as relocation costs unwind and Thailand's lower cost base takes effect, we see further upside to our earnings and FV. Further external re-rating catalyst: Upward revision to semiconductor/WFE capex and faster aerospace production ramps could strengthen SEQB's growth outlook, driving earnings upgrades and multiple expansion.

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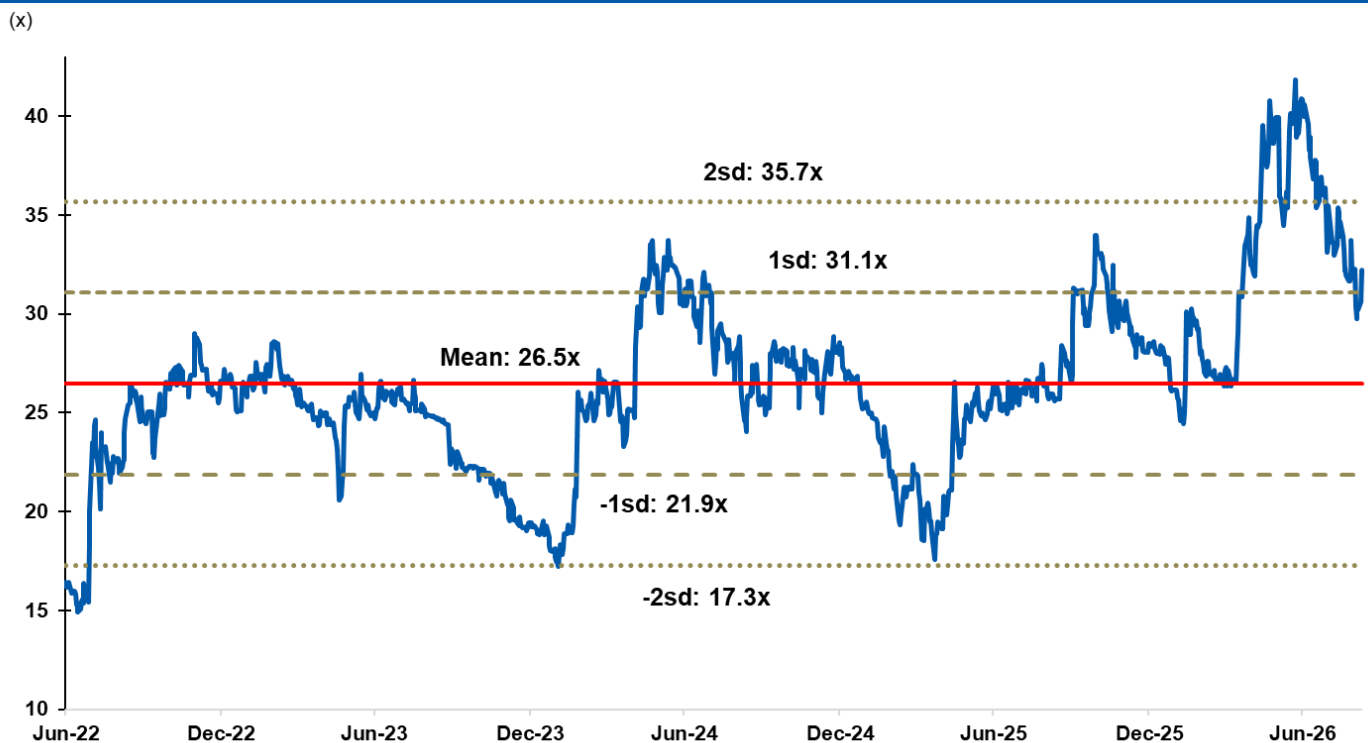
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Figure 9: Peer comparison

Company	Country	FYE	Mkt Cap (USDm)	Price		P/E (x)		Div. Y (%)		ROE (%)	EV/ EBITDA		NP Growth (%)		PEG
				9-Sep-26 (Local Currency)	Actual	1 Yr Fwd	2 Yr Fwd	1 Yr Fwd	1 Yr Fwd		1 Yr Fwd	1 Yr Fwd	1 Yr Fwd	2 Yr Fwd	
SAM Engineering & Equipment	MA	Mar	757.7	4.56	60.9	40.7	25.3	0.3	5.5		16.2		64.3	61.1	na
Local															
UWC	MA	Jul	1771.4	6.52	190.7	78.9	44.5	0.0	24.7		48.7		141.7	77.4	0.6
Coraza Integrated Technology	MA	Dec	136.9	1.12	41.4	28.4	20.9	na	24.8		11.7		45.7	36.1	0.6
SFP Tech Holdings	MA	Dec	169.1	0.29	195.5	na	na	na	na		na		na	na	na
Kobay Technology	MA	Jun	181.9	2.28	15.2	na	na	na	na		na		na	na	na
AMBEST Group	MA	Dec	179.5	1.43	120.2	40.0	23.1	na	24.8		29.1		200.4	73.5	0.3
Northeast Group	MA	Sep	196.7	1.08	41.6	21.2	18.9	na	24.8		11.1		96.4	12.2	1.5
CPE Technology	MA	Jun	198.3	1.20	44.6	27.4	21.3	na	24.7		16.0		62.4	29.1	0.7
Regional															
Frencken Group	SI	Dec	920.9	2.46	30.8	26.2	22.1	1.1	24.7		13.3		17.3	18.8	1.2
UMS Integration	SI	Dec	1811.4	2.58	56.9	34.9	27.4	1.9	24.7		21.9		62.9	27.3	1.0
Mkt. Cap Weighted Avg.			1339.9		98.7	44.5	29.4	0.8	23.2		27.0		81.6	41.3	0.8
Simple Avg.			618.5		81.9	36.7	25.4	1.0	24.8		21.7		89.5	39.2	0.8

Source: Bloomberg, RHB

Figure 10: SEQB's 5-year forward P/E trend



Source: Bloomberg, RHB

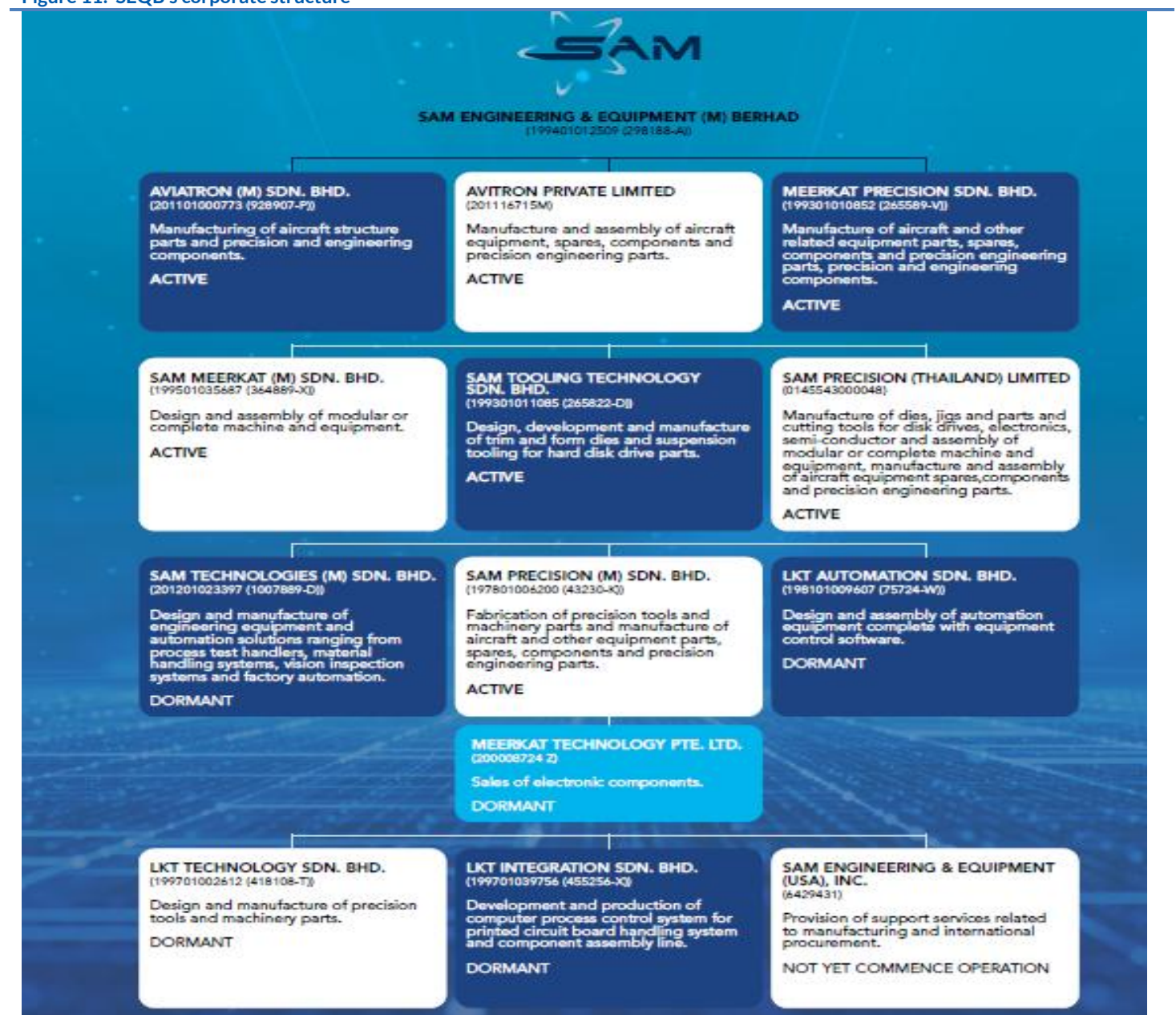
Company Overview

Background

SAM Engineering & Equipment (SEQB) is a subsidiary of Singapore Aerospace Manufacturing (SAM) and is listed on Bursa Malaysia's Main Market. The group operates manufacturing facilities across Malaysia, Singapore and Thailand and conducts its business through two core segments, namely Aerospace and Equipment. SEQB provides precision engineering and integrated manufacturing solutions to customers across the aerospace and advanced manufacturing industries.

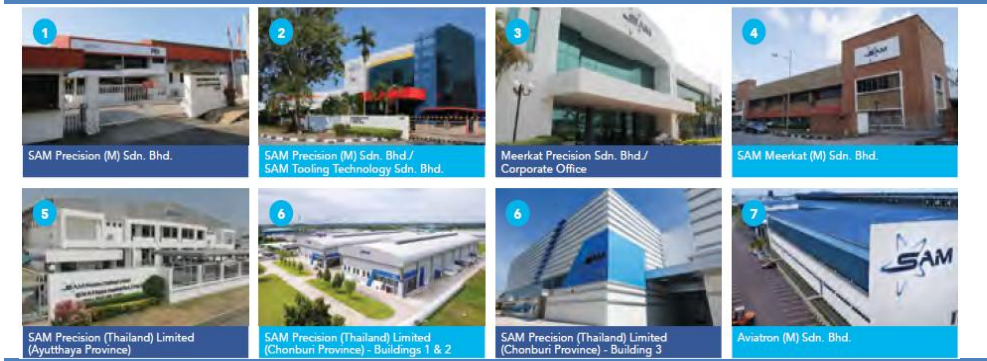
Leveraging its vertically integrated manufacturing capabilities, SEQB provides a broad range of services including precision machining, sheet-metal fabrication, surface treatment, equipment integration and cleanroom assembly. These capabilities allow the group to support customers across various stages of the manufacturing process, from precision component fabrication to complete equipment assembly, while meeting stringent qualification and production requirements.

Figure 11: SEQB's corporate structure



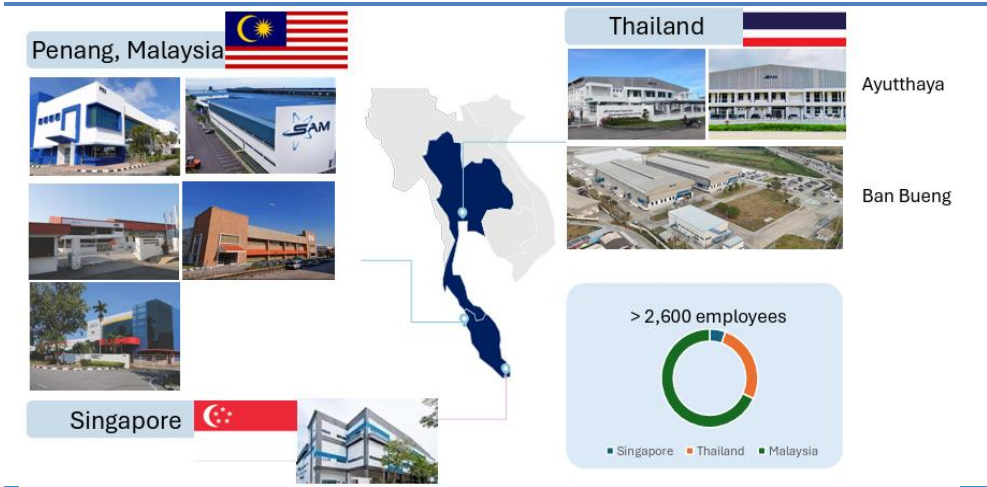
Source: Company data

Figure 12: SEQB's properties



Source: Company data

Figure 13: SEQB's properties



Source: Company data

Business overview

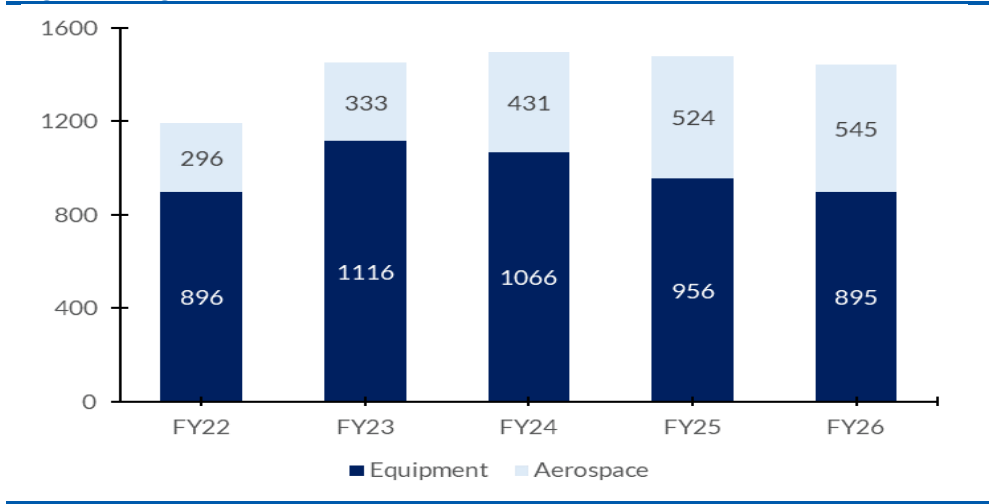
The group operates through two core business segments:

Figure 14: SEQB's two main business segments



Source: Company data

Figure 15: Segmental revenue contributions



Source: Company data, RHB

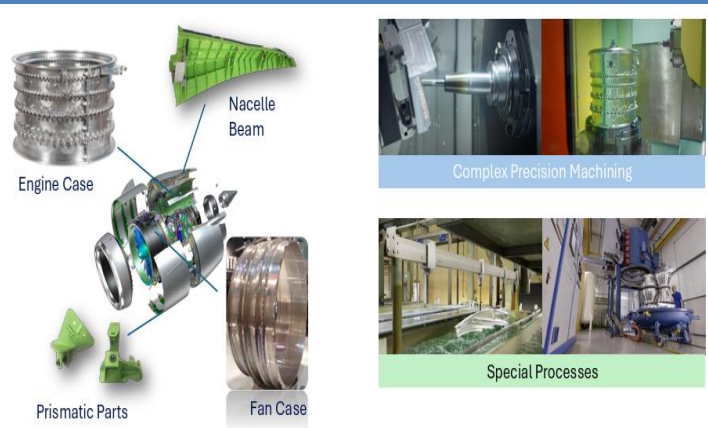
i. **Aerospace (38% of FY26 revenue).** The aerospace segment provides end-to-end manufacturing solutions for critical aircraft engines and aerostructure components used in commercial, regional and business aircraft programmes. Its product portfolio includes engine cases, fan casings, nacelle parts and structural components manufactured from aluminium alloys, stainless steel, titanium and nickel-based alloys. The segment is supported by advanced computer numerical control (CNC) machining, specialised manufacturing processes and non-destructive testing (NDT) capabilities, enabling SEQB to meet the stringent quality requirements of aerospace OEMs and Tier-1 suppliers. Following the acquisition of Aviatron (M) in Feb 2024, the group further expanded its aerospace manufacturing capabilities, particularly in the production of complex aircraft components. The segment operates through specialised manufacturing subsidiaries, including Aviatron, Avitron, Meerkat Precision, SAM Precision and SAM Precision Thailand.

Figure 16: Aerospace products



Source: Company data

Figure 17: Aerospace capabilities



Source: Company data

ii. **Equipment (62% of FY26 revenue).** The equipment segment provides equipment engineering solutions, including customised equipment manufacturing, system integration and factory automation solutions for customers across the semiconductor, medical, data storage and industrial sectors. The segment specialises in the design and manufacture of equipment based on customer specifications, supported by vertically integrated capabilities in precision machining, sheet-metal fabrication, surface treatment, cleanroom assembly and equipment integration. Its solutions include built-to-print equipment manufacturing, customised automation and material handling systems, enabling SEQB to support customers from component fabrication to complete equipment assembly. The segment operates through specialised subsidiaries, including SAM Meerkat, SAM Precision and SAM Tooling Technology.

Figure 18: Equipment segment



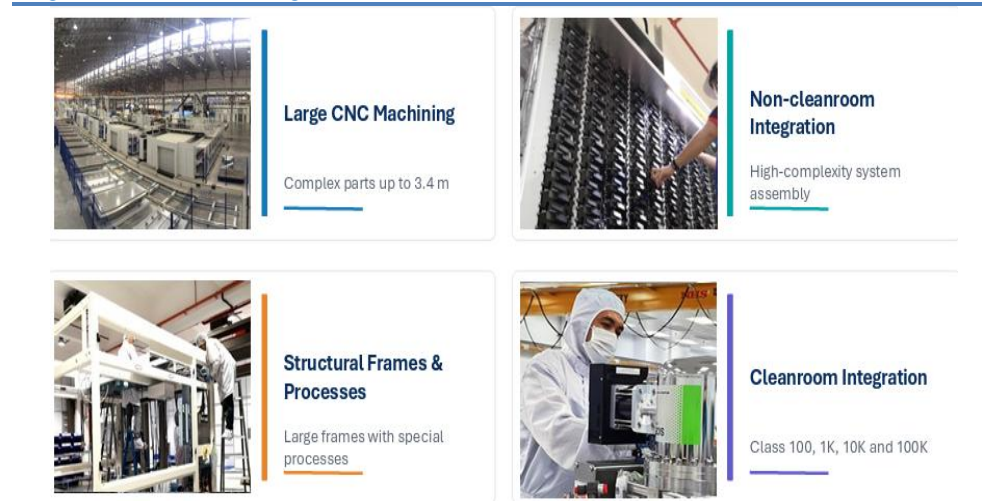
Source: Company data

Figure 19: Major machines



Source: Company data

Figure 20: Equipment segment



Source: Company data

Figure 21: Top 4 customers (FY26)

	Description	% of total revenue
Customer A	- Leading global semiconductor equipment manufacturer — a top-tier supplier of wafer-fabrication equipment serving leading-edge and mature-node foundries, IDMs and memory makers - Broad front-end and advanced-packaging exposure — its equipment spans key wafer-fabrication processes, while its advanced-packaging technologies are increasingly leveraged for HBM and AI-related applications	31%
Customer B	- Global semiconductor process-control leader — provides inspection, metrology and yield-management solutions for wafer fabrication - Front-end semiconductor exposure — equipment detects wafer defects and measures critical process dimensions to improve chip yields	14%
Customer C	Leading global Tier-1 aerospace & defence supplier to Airbus and Boeing	17%
Customer D	Leading global Tier-1 aerospace & defence supplier to Airbus and Boeing	13%

Source: Company data

Figure 22: Substantial shareholders' stake

Shareholder	Stake (%)
Temasek Holdings	55.2%
Employees Provident Fund Board	7.1%
Public Mutual	7.0%

Source: Bloomberg

Key Management

SEQB is led by Ng Boon Keat, Executive Director and CEO, appointed in Apr 2025, with a Master of Mechatronics Engineering and long-standing experience with the group, providing technical and operational leadership. Tan Kai Hoe, Non-Independent Non-Executive Chairman, is concurrently President & CEO/Director of Accuron Technologies and Deputy Chairman of Singapore Aerospace Manufacturing, bringing extensive aerospace industry and leadership experience. Shum Sze Keong, Non-Independent Non-Executive Director, previously served as Head of the Aerospace Industry Development Division at the Singapore Economic Development Board and Director of Singapore Aerospace Manufacturing, adding relevant aerospace expertise. Suresh Natarajan, Independent Non-Executive Director, has prior experience with Applied Materials and the Singapore Economic Development Board, providing relevant semiconductor and technology industry expertise.

Key Risks:

- i. Exposed to customer concentration across its equipment and aerospace segments;
- ii. Semiconductor cyclicalities and capex risk;
- iii. Foreign exchange risk;
- iv. Thailand expansion and execution risk;
- v. Aerospace programme and execution risk.

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