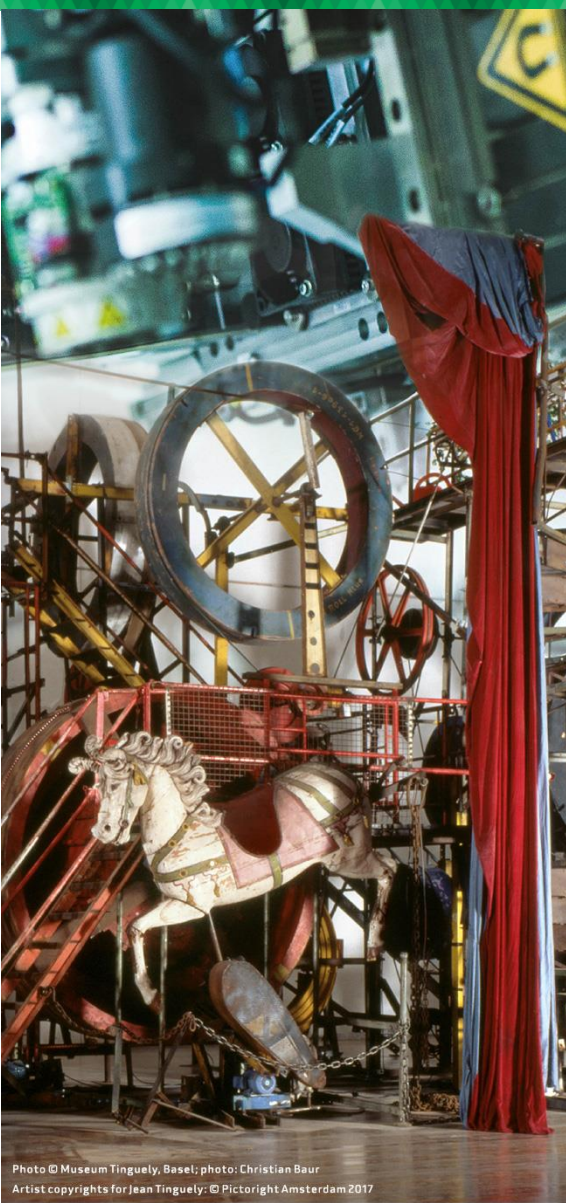




Besi



MDBC PRESENTATION

June 2018



- I. Company Overview
- II. Current Business Benefits Malaysia
- III. Potential impact new Government



Besi



I. COMPANY OVERVIEW

What is Besi:



We Provide High-tech Solutions to Enable Innovation & Enrich People's Lives

So how? -> Best in Class Product Portfolio



Die Attach



Die Bonding

- 2100 xP *plus* / hS
- 2100 sD *plus* / PPP *plus*
- 2100 sD *advanced* **New**
- 2009 SSI
- 2100 DS **New**
- 2100 SC



Multi Module Attach

- 2200 evo
- 2200 evo *plus*
- 2200 evo hS **New**



Flip Chip

- 8800 CHAMEO *advanced* **New**
- 8800 TCB *advanced* **New**
- 8800 FC Quantum *advanced* **New**
- 2100 FC hS **New**



Die Sorting

- WTT **New**
- TTR **New**



Die Lid Attach

- DLA **New**

Packaging



AMS-i

- Leadframe
- MEMS
- Sensors



AMS-W/LM

- Substrate



FML **New**

- Wafer
- Panel



FCL

- X
- P **New**
- X/P **New**



FSL

- Singulation
- Sorting

Plating



Plating

- Leadframe
- Film & Foil
- Solar
- Battery

In Development

- Next generation Die Attach
- Next generation Packaging
- Common modules

Current Operational Profile



- Development activities in Europe
- Production in Asia
- Sales/service activities in Asia, US and Europe

LTM (as of September 30, 2017)				
	Europe/NA		Asia	
Revenue (MMs)	€ 152.0	28.5%	€ 380.6	71.5%
Headcount	587	28.9%	1,446	71.1%



II.

Current Business Benefits Malaysia

The Benefits for Besi in Malaysia



People:

- English
- Highly Educated
- Flexible
- Willing to Work hard
- Value for money
- Diversity



Infrastructure:

- Good (Air)ports
- Good Roads
- Clean water
- 99.9% guaranteed supply of Electricity



Incentive programs:

- Tax benefits (Besi is since 2017 Principle hub)
- LMW license (no import tax)
- Education/Training Grants
- R&D Grants



Others:

- Customer Proximity
- Very low risk for any natural Disaster
- IP Protection





Besi



III. Potential impact new Government

Photo © Museum Tinguely, Basel; photo: Christian Baur
Artist copyrights for Jean Tinguely; © Pictoright Amsterdam 2017

Impact to the Manufacturing Industries



People Champs – Human Resources

Minister of Human Resource : Mr. Kulasegaran



Main Focus:

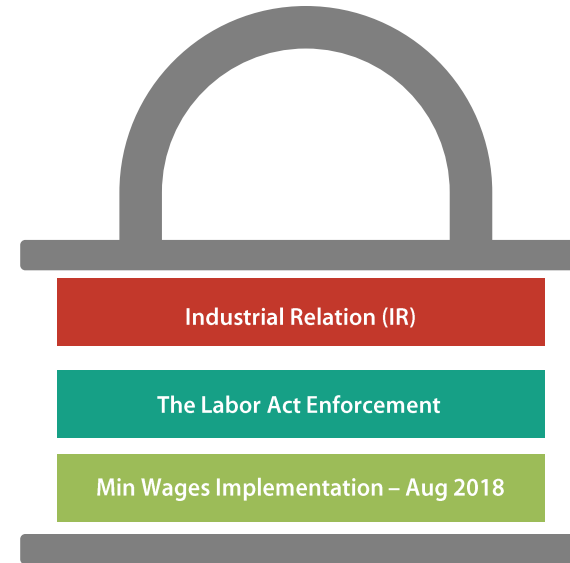
1. The Labor Act Enforcement
2. Industrial Relation (IR) Matters
3. Min. Wages Implementation

Remarks on IR Matters.

- The Industrial Court has agreed to dispose cases as soon as possible without compromising on quality.
- That means they hear your cases out, listen to all the witnesses involved for a decision to be made.
- Otherwise, cases with certain fundamentals will be referred to the department's director general.

Remarks on Labor Act Enforcement

- Besides, concerns such as exploitation of workers, violation of labour laws and payment of wages lower than what an employee is entitled to can be addressed.
- Section 65 of the Employment Act clearly stated that labour officers had the power to enter employment premises without prior notice at all times and make enquiries on any matter which they considered necessary within the provisions of the Act.



Remarks on Min Wages Implementation – Aug 2018

- Minimum wage in Peninsula Malaysia is currently RM1,000, while minimum wage in Sabah and Sarawak is RM920.
- The review was completed by the National Wage Legislative Technical Committee (JTPGN) as provided for in the National Wage Consultative Council Act 2011 (Act 732).
- New minimum wages to be known in August

SST Implementation

Ministry of Finance – Mr. Lee Guan Eng



Automation

Expect car prices to move up and be higher than the GST price by approximately 2%-3%.



Key Consumer

The SST is expected to create more disposable income, which, in turn, is expected to boost consumer spending and business activities. Such a rate will create adequate disposable income to spur private consumption and in turn business activities



Measure

The impact of the loss in GST revenue

Credit rating agencies look beyond a one or two-year horizon in assessing a country's fiscal landscape. Thus, a critical question would be — how would the fiscal path look like without GST beyond 2018? The positive point here is that the amount to be collected under the impending SST would likely be higher than the amount collected under SST in the previous years as there are now more taxpayers than before. The GST, in some ways, had unearthed some of those who never paid taxes before, and these businesses will continue paying taxes under the SST regime.

Establish the Transparent and Credible Government Institutions - Economic Ministry



Minister of Economic – Datuk Seri Azmin Ali



- 01** To create a more vibrant economy, create value, jobs and ensure sustainable economic growth.
- 02** The government would continue development projects which have a high economic impact and improved public welfare.
- 03** Progressive socio-economic policies will be introduced in the 11MP –(11th Malaysia Plan) to complete the government's initiatives to strengthen its financial position and make institutional reforms
- 04** Ensure a more transparent mechanism is acceptable during the process of preparing the mid-term review.
- 05** Focused on both a free market and investor-friendly economy, and a humanitarian economy with social justice programmes at its core

Key Foreign Investor Focus

Minister of Economic – Datuk Seri Azmin Ali

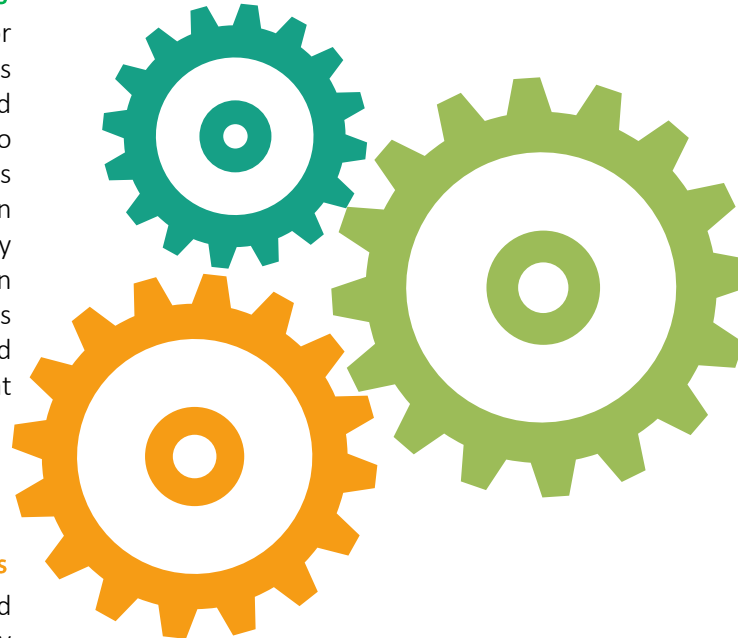
New Tax Incentives

Could extend new tax incentives for foreign investment in areas such as technology, and research and development if companies promise to create better-paid jobs for Malaysians

Up until now, the Malaysian Investment Development Authority has allowed companies investing in the country to claim income tax breaks for between five and 10 years and maybe more than that

Middle Gears

Going into 2018, it is expected Malaysia's economy to still rely more on internally generated growth, especially from private consumption, which benefits from a favorable labor market, steady income growth and positive credit environment,



Big Gears

to initiate immediate strategies to generate economic activities, as well as measures on fiscal reform, it expects the ringgit to trade between 3.90 to 3.95 against the U.S. dollar throughout most of the first half, before appreciating to 3.80 by end of the year.