



Think Automation
Think Pentamaster

Pentamaster International Ltd.

Stock ticker: 1665 Hong Kong

檳傑科達國際有限公司

(Incorporated in the Cayman Islands with limited liability)

Investor Presentation

as of May 2021

Investor Relations Team

Gan Pei Joo, Executive Director and CFO (pjgan@pentamaster.com.my)

Leng Kean Yong, Non-executive Director (yang@pentamaster.com.my)

investor.relation@pentamaster.com.my / pentamaster@icaasia.com

Innovate • Automate • Integrate



www.pentamaster.com.my

Disclaimer



The information contained in this presentation is provided for informational purpose only and should not be relied upon for the purpose of making any investment or for any other purpose.

Some of the information used in preparing this presentation was obtained from third parties or public sources. The information contained in this presentation has not been independently verified. No representation or warranty, expressed or implied, is made as to, and no reliance should be placed on, the fairness, reasonableness, accuracy, completeness or correctness of such information or opinions contained herein. It is not the intention to provide, and you may not rely on this presentation as providing, a complete or comprehensive analysis of our financial or trading position or prospects. The information and opinions contained in this presentation are provided as at the date of this presentation and are subject to change without notice and will not be updated to reflect any developments which may occur after the date of this presentation.

All statements, other than statements of historical facts included in this presentation, are or may be forward-looking statements. Forward-looking statements include, but are not limited to, those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These forward-looking statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known or unknown risks and uncertainties. Accordingly, actual results may differ materially from information contained in the forward-looking statements as a result of a number of factors. You should not place undue reliance on such forward looking statements, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements. No statement in this presentation is intended to be or may be construed as a profit forecast.

We also do not undertake any obligation to provide you with access to any additional information or to update this presentation or any additional information or to correct any inaccuracies in this presentation or any additional information which may become apparent.

This presentation does not constitute an offer or invitation to purchase or subscribe for any shares and no part of it shall form the basis of or be relied upon in connection with any contract, commitment or investment decision in relation thereto.

Table of content



Introduction	Corporate overview	Business Overview	Growth Drivers	Financial overview
<p>Company profile</p> <p>Investment case</p>	<p>Milestones</p> <p>Corporate structure</p> <p>Board of directors</p> <p>Management team</p> <p>Shareholder structure</p> <p>Commitment to minority shareholders</p> <p>Dividend policy and history</p>	<p>Business model</p> <p>Value chain, suppliers, customers</p> <p>Geographic footprint</p> <p>Production facilities</p> <p>Human capital</p> <p>Corporate governance</p> <p>Emissions</p> <p>CSR initiatives</p> <p>Sustainability investments</p> <p>COVID-19 business impact and response</p> <p>Awards and recognition</p>	<p>Growth strategy</p> <p>Macroeconomic tailwinds</p> <p>Industry growth drivers</p> <p>Market share and competitive advantages</p> <p>Capex / Investment projects / Corp Exercise</p> <p>New business</p> <p>Business outlook</p>	<p>Financial highlights</p> <p>Income statement summary and important ratios</p> <p>Balance sheet summary and important ratios</p> <p>Earnings guidance</p>

Company profile

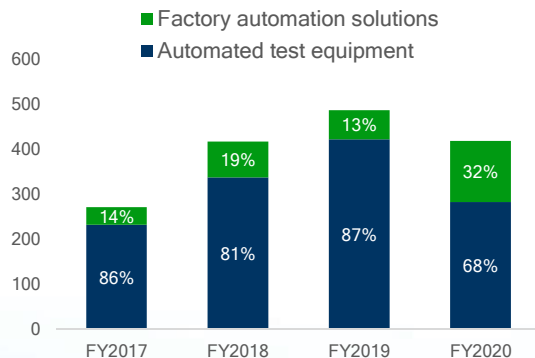


Pentamaster International Limited (the “Company” or “Pentamaster”) together with its affiliates and subsidiaries (the “Group” or “Pentamaster Group”) provides automation technology and solution to multinational manufacturers including but not limited to the semiconductor, telecommunications, consumer electronics and automotive sectors, spanning across APAC, North America and Europe.

Headquarters: Penang, Malaysia
Founded: 1995

The parent company, **Pentamaster Corporation Berhad** (“PCB”), is listed on the Bursa Malaysia Stock Exchange with stock code: PENT.MK (Bloomberg).

The two (2) main revenue sources are:



One of the **market leaders in Malaysia** in terms of revenue and profit with high growth in the back-end semiconductor ATE market



Four (4) years in a row (2017, 2018, 2019, 2020) was ranked in the **top 200 Forbes “Best Under a Billion”** list of companies that are publicly listed in APAC

For two (2) years in a row **“Highest Growth in Profit After Tax Over Three Years”** for the technology sector in THE EDGE’s Billion Ringgit Club (“BRC”) award 2019, 2020.



Ability to **innovate and deliver high value-add integrated products and solutions**

As of 31 March 2021, total headcount of 626 with close to 600 in-house engineers following completion of the second new production plant with a gross floor area of approximately 97,033 sq.ft. as well as expansion of the first production plant. The Group production plant’s total gross floor are is now estimated to be more than 200,000 sq.ft.

The Group is aggressively venturing into medical segment with the acquisition of TP Concept Sdn Bhd and the establishment of Pentamaster MediQ Sdn Bhd. Capital expenditure of RM60 million to be spend over a 3-year period together with clean room production space being planned for this segment.




The Group was able to deliver products and solution within relatively short lead time of 8 to 12 weeks in general







High visibility of secured purchase orders given the nature of business proposition that is mainly in new “features” product launch

Company profile



-  6,000+ projects deployed
-  600+ employees
-  500+ Engineering R&D staff

Key market segments

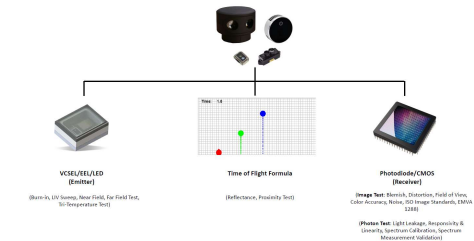
-  Semiconductor
-  Electro-Optical
-  Automotive
-  Medical

- ### Key competencies
- Mechanical Design
 - Smart Automation Programming
 - Vision AOI
 - Imaging and PhotonTest
 - Optics Photonics Test
 - Electrical Test
 - Burn-in and Probe Test
 - Far Field and Near Field Test
 - LIV SweepTest

- ### Solutions
- Test Solution
 - Automated Vision Inspection Solution
 - Assembly & Process Solution
 - Optics Photonics Test Solution
 - Power Device and Module Solution
 - Factory Automation Solution



At Pentamaster, we offer diverse range of test capabilities for each individual component of the LiDAR sensor.



Investment case



- 1 The Group has headcount of over 600 and with FY2020 being a “disruptive” year, the Group still chalked a CAGR of 41.5% revenue growth from FY2015 to FY2020.
- 2 High visibility of secured purchase orders given the nature of business proposition
- 3
 - Growth in revenue is mainly underpinned by the Group’s electro-optical division and will continue to expand its strength, technology capabilities as well as its product portfolio in the optics, imaging and sensing capabilities
 - The Group recent incorporation of Pentamaster MediQ Sdn. Bhd. (“PDSB”) and its allocation of capital expenditure for PDSB shows the Group’s proactive approach in broadening its business exposure, especially towards the ever-growing medical device segment.
 - Capitalise market potential on silicon carbide (SiC) and gallium nitride (GaN) - based compound power semiconductors and power modules.
- 4 Consecutively for 4 years in a row, the Group was honored to be listed on Forbes’ “Asia’s 200 Best Under A Billion company” - for 2017, 2018, 2019 & 2020 + other awards and accreditation since 2017
- 5 Strong financial ratio and has been improving over the past few years, with net cash of approx. USD100m+
- 6 Strong and stable management team with extensive technology expertise and industry experience
- 7 Broadening and undertaking strategic expansion in the APAC region

Table of content



Introduction

Company profile
Investment case

Corporate overview

Milestones
Corporate structure
Board of directors
Management team
Shareholder structure
Commitment to minority shareholders
Dividend policy and history

Business Overview

Business model
Value chain, suppliers, customers
Geographic footprint
Production facilities
Human capital
Corporate governance
Emissions
CSR initiatives
Sustainability investments
COVID-19 business impact and response
Awards and recognition

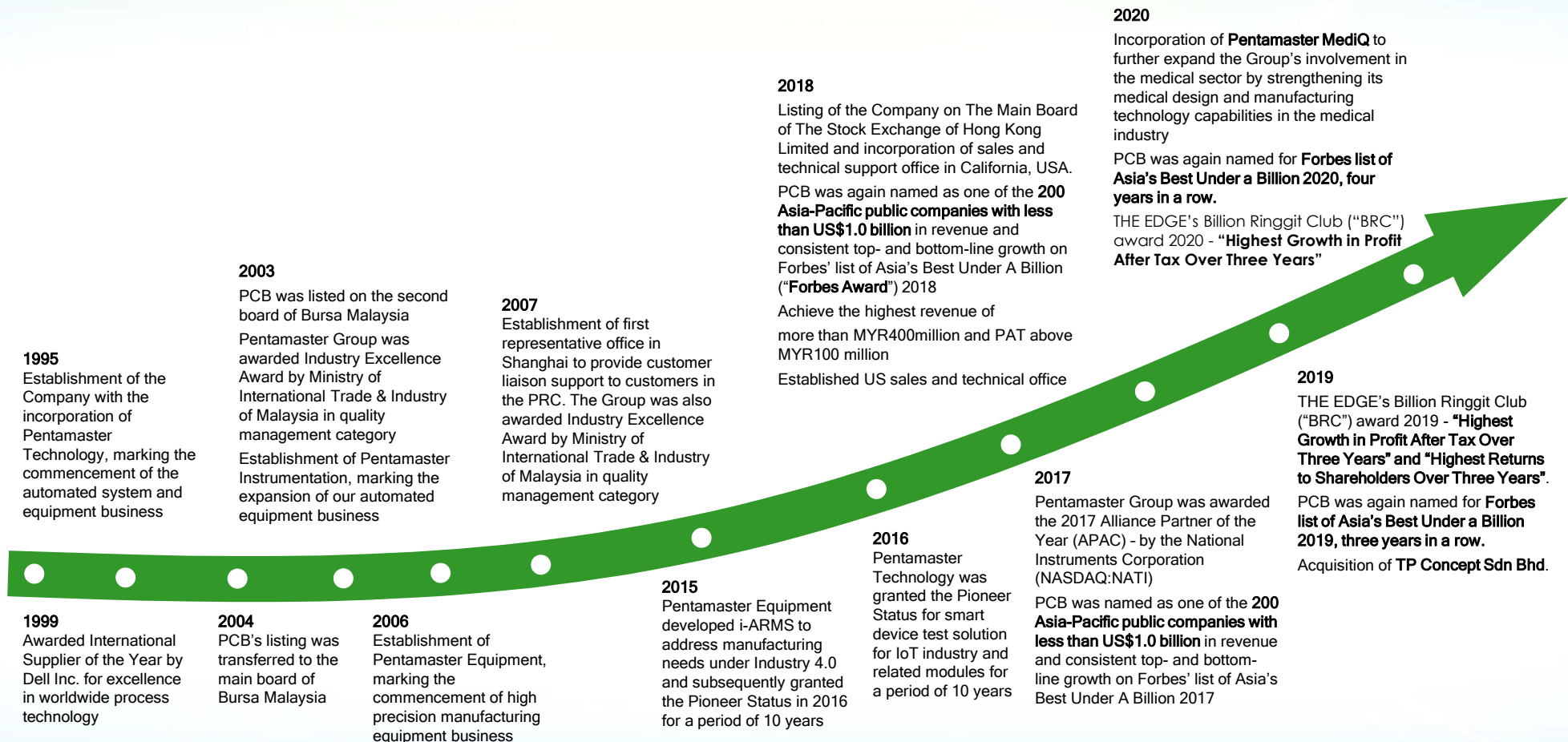
Growth Drivers

Growth strategy
Macroeconomic tailwinds
Industry growth drivers
Market share and competitive advantages
Capex / Investment projects / Corp Exercise
New business
Business outlook

Financial overview

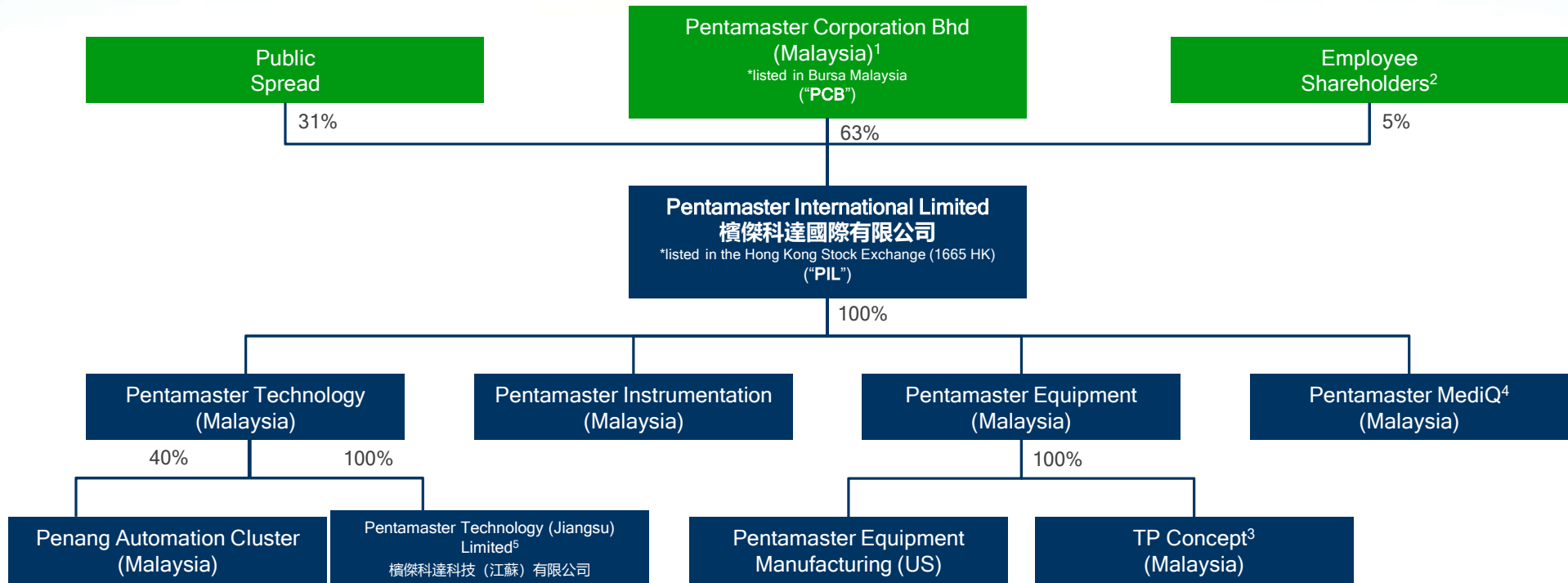
Financial highlights
Income statement summary and important ratios
Balance sheet summary and important ratios
Earnings guidance

Milestones



Corporate structure

The following chart sets forth the Company's corporate and shareholding structure as of 31 March 2021



Notes:

1. Penta Corporation is listed on the Main Market of Bursa Malaysia under stock code 7160 (PENT MK).
2. There are approx. 200 Employee Shareholders, two of whom are Company's Directors, namely Mr. Chuah and Ms. Gan.
3. On 26 September 2019, PIL entered into a share sale agreement with all the existing shareholders of TP Concept to acquire 100% equity interest in TP Concept. The conditions for completion of the share sale agreement have been fulfilled and the completion of the acquisition took place on 27 September 2019. TP Concept's principal activity is manufacturing and assembling of medical machines and manufacturing of die casting parts.
4. On 6 July 2020, Pentamaster International Limited incorporated a new wholly-owned subsidiary, Pentamaster MediQ Sdn. Bhd.
5. On 25 April 2021, Pentamaster Technology (Malaysia) incorporated a new wholly foreign owned entity ("WFOE") in Jiangsu, China, Pentamaster Technology (Jiangsu) Limited

Board of directors



Chuah Choon Bin
Executive Chairman

- 30+ years experience in design and manufacturing of automation equipment and vision inspection system
- Degree in Engineering (Honours) and Master's degree majoring in Electrical and Electronics both from the University of Auckland
- Chairman of the Board for PCB



Gan Pei Joo
Executive Director and CFO

- 20+ years experience in finance and accounting
- Member of CPA Australia and Malaysian Institute of Accountants
- Degree in Accounting from Curtin University of Technology
- Board member of PCB



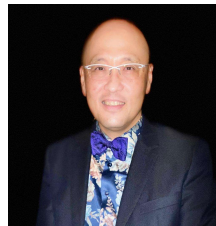
Leng Kean Yong
Non-Executive Director

- 20+ years experience in consulting, corporate finance and business strategy
- Degree (Cum Laude) in Business Administration from Western Michigan University
- Board member of PCB



Sim Seng Loong
Independent Non-Executive Director

- 30+ years experience in consulting, accounting and finance
- Member of CPA Australia and Malaysian Institute of Accountants



Dr. Chuah Jin Choong
Independent Non-Executive Director

- 30+ years experience in medical industry
- fellow of the Hong Kong Academy of Medicine (Anesthesiology) and a fellow of the Australian and New Zealand College of Anesthetists
- Degree in Medicine and Surgery from University of Queensland



Chan May May
Independent Non-Executive Director

- 20+ years experience in legal practice
- Admitted to the Bar (Malaysia) since March 1991
- Degree in Law (Honours) from University of Malaya

Management team



Hon Tuck Weng

Operation Director

- 25+ years experience in automation solution industry
- Postgraduate Certificate in Engineering Business Management from University of Warwick
- Higher Diploma in Computer Studies from University of Humberside

Ng Chin Keng

Chief Operating Officer (Factory Automation Solution)

- 20+ years experience in automation solution industry
- Oversees daily operation of Pentamaster Equipment Sdn Bhd
- Degree (Honours) in Computing and Information System from University of Lincolnshire & Humberside

Teoh Siaw Khiang

Senior General Manager

- 30+ years experience in automation solution industry
- Oversees daily operation of Pentamaster Instrumentation Sdn Bhd
- Masters and Degree (Honours) in Engineering, both from University of Malaya

Ong Thean Lye

Chief Operating Officer (Medical Devices)

- 30+ years experience in engineering and medical engineering
- Oversees medical devices division
- Master of Business Administration (MBA) and Degree (Honours) in Applied Science majoring in Electronic Technology from University Science of Malaysia

Teh Eng Chuan

Chief Operating Officer (Automated Test Equipment)

- 20+ years experience in machine vision inspection, design and control
- Oversees daily operation of automated test equipment division
- Higher Diploma in Computer Science from Kolej Damansara Utama

You Chin Teik

Vice President - New Business Development

- 20+ years experience in vision engineering
- Oversees research and development activities
- Master of Business Administration (MBA) from University of South Australia

Shareholder structure



PIL (As at 6 May 2021)

Shareholder	Management	No. of shares	Ownership
PCB	-	1,009,535,993	63.10%
Chuah Choon Bin	Yes	17,740,800	1.11%
Gan Pei Joo	Yes	5,085,696	0.32%
Dr. Chuah Jin Chong	No	112,000	0.01%
Employees	Yes	85,883,046	5.37%
Public float		481,642,465	30.10%
Total		1,600,000,000	100.00%

Source: HKeX.com

PCB (As at 6 May 2021)

Shareholder	Management	No. of shares	Ownership
Chuah Choon Bin	Yes	140,558,630	19.73%
Employees Providend Fund Board	No	38,343,750	5.38%
Loh Nam Hooi	No	96,000	0.01%
Public float		494,779,716	74.88%
Total		712,317,121	100.00%

Source: Annual Report 2020 and announcement

Commitment to minority shareholders

We are committed to create value for minority shareholders and act in their best interests through:

Regular engagement with minority shareholders:-

1. Quarterly results conference call
2. Ad-hoc conference call
3. Dedicated IR emails / contacts
4. Conduct Annual Shareholders General Meeting

Minority Shareholders protection:-

1. Outlined procedures for shareholders to propose for election of directors other than retiring directors
2. > 50% of Board members are independent / non executive directors

Timely disclosure of relevant Information:-

1. Promptly distributing and releasing announcement and results via website and email circulation

Shareholders Return:-

1. Adopting a Sustainable dividend policy, balancing mid-to-short working capital needs and cash balances

Dividend policy and history

The Company adopts a “Sustainable Dividend Policy”, balancing its working capital needs for the short-to-medium term and its cash balances

EPS and Dividend (Cents)

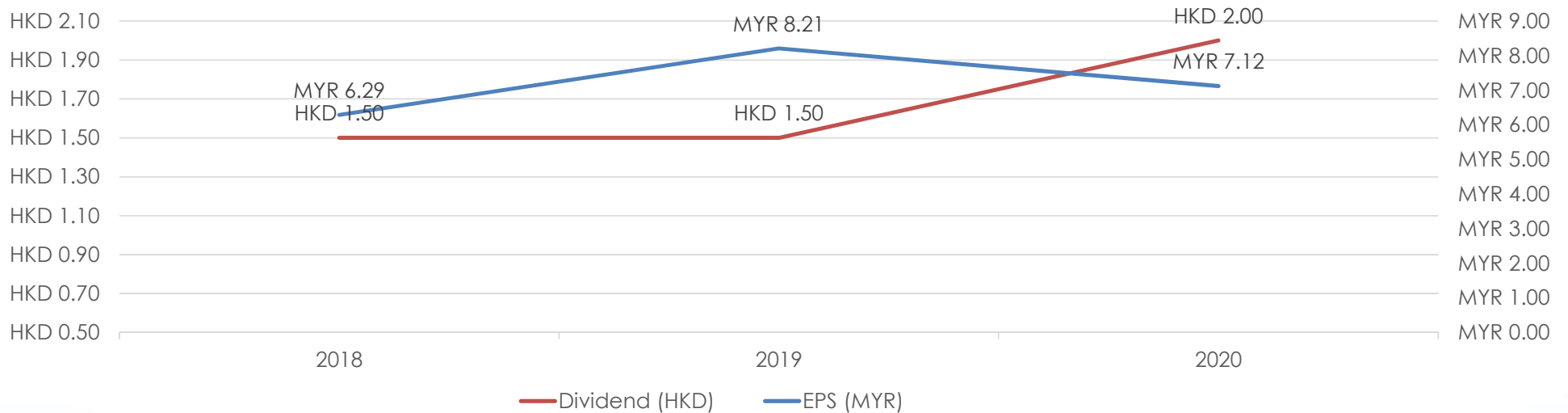


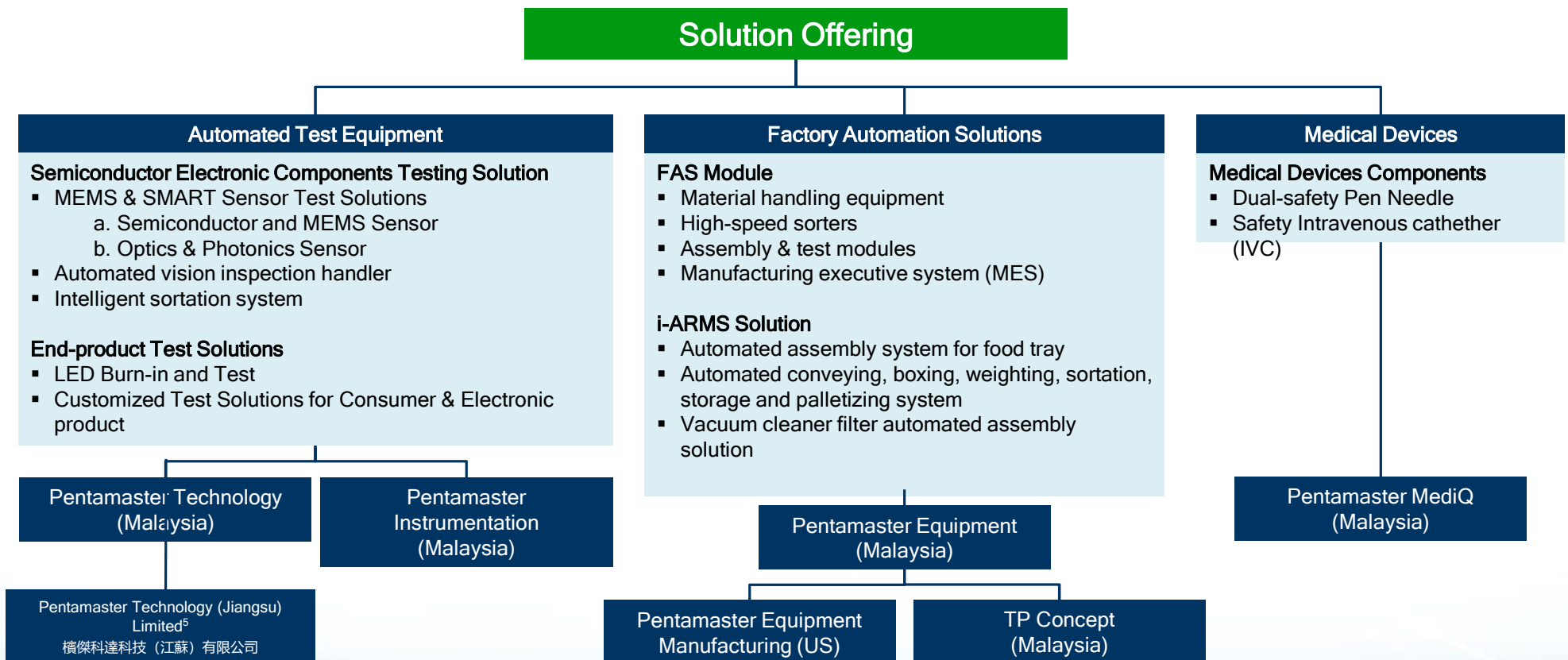
Table of content



Introduction	Corporate overview	Business Overview	Growth Drivers	Financial overview
<ul style="list-style-type: none"> Company profile Investment case 	<ul style="list-style-type: none"> Milestones Corporate structure Board of directors Management team Shareholder structure Commitment to minority shareholders Dividend policy and history 	<ul style="list-style-type: none"> Business model Value chain, suppliers, customers Geographic footprint Production facilities Human capital Corporate governance Emissions CSR initiatives Sustainability investments COVID-19 business impact and response Awards and recognition 	<ul style="list-style-type: none"> Growth strategy Macroeconomic tailwinds Industry growth drivers Market share and competitive advantages Capex / Investment projects / Corp Exercise New business Business outlook 	<ul style="list-style-type: none"> Financial highlights Income statement summary and important ratios Balance sheet summary and important ratios Earnings guidance

Business model

Broadly our offered solution comprise two (2) segments, namely **Automated Test Equipment (“ATE”)** and **Factory Automation Solutions (“FAS”)**. Our **Medical Devices Solution (“MDS”)** segment has just been established recently in Q3 2020.



Business model

Products - Automated Test Equipment

Standardized and customized standalone automated equipment for (i) semiconductor electronic components testing for smart sensors and ICs (integrated circuits); and (ii) end products testing for consumer electronics, electro-optical products and LEDs.

Category	Semiconductor Electronic Components Testing Solution			
Products and Solution	MEMS & Smart Sensor Test Solutions	Automated Vision Inspection Handler Solutions	Intelligent Sortation System	End-products Test Solutions
Test Subjects	Optoelectronics, light, temperature, sound, distance, pressure and humidity	Dimension, shape, position and visual defects	Electrical functional parameters	LED burn-in and test structures, failure and functional test

The end product test solutions provide integrated systems, comprising electronic hardware (i.e. testing machines), firmware and software, to perform various tests on electrical and electronic end products. These products and solution are customized according to the tests and the device under test required.



Diffractive Optical Element & Micro Lens Array Tester



MEMS microphone test handler



Structured Light 3D Sensor Test Handler



Power Module Handler



Optical VCSEL Wafer Test Handler



Time of Flight (ToF) 3D Sensor Handler



Edge Emitting Laser Module Tester



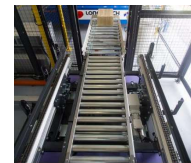
Business model

Products - Factory Automation Solutions

The Group customizes and automates manufacturing processes by integrating automated assembly and test modules, material handling equipment, robotics technology, auto inspection and manufacturing executive system. i-ARMS is a comprehensive factory automation system that integrates various combinations of FAS modules with other technology components such as vision devices, sensor devices and RFID. FAS modules offer diverse automated functions which can be applied to different processes in a manufacturing line. FAS modules can be broadly categorized as manufacturing executive system, test modules, high-speed sorters and material handling equipment.

i-Arms Solution

<ul style="list-style-type: none"> Intelligent Conveyor System Roller Conveyor Belt Conveyor Plastic Chain Conveyor Sortation System 	<ul style="list-style-type: none"> RFID RFID & Data Tracking Solution 	<ul style="list-style-type: none"> MES SMS (Shopfloor Management System) WMS (Warehouse Management System) CMMS (Computerized Maintenance Management System) 	<ul style="list-style-type: none"> Robot System & Services Pick & Place Dispensing Assembling Auto Palletizing Packaging 	<ul style="list-style-type: none"> Vision Inspection & Guidance System QA/QC Inspection Robotic Guidance
---	---	--	---	---



Power Roller Conveyor



Motorized Lifter



Automated Guided Vehicle (AGV)



Automated Assembly and Test Modules

Business model

Core competencies

Advance Automation



Handler, Sorting, Active Alignment



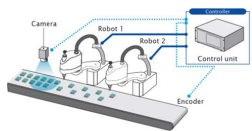
Inline System



Integrated Production Solution



Material Handling, AGV



Vision Guided Robotic Handling, Assembly, AOI



Cloud connected IoT devices
Web HTTPS / Mobile interface
Analytics

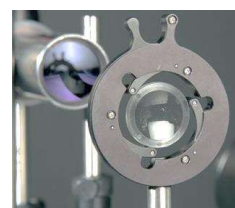
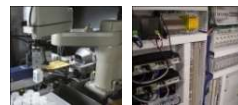
High Technological Competencies Skill



Mechanical
Automation
Electrical
Test Instruments
Firmware
Vision AOI



Imaging
Optics Photonics
PCB Design
Toolmakers
Production



Innovative Experience



Prototyping
Fast Turn Around
Onsite Engineering



Labs
Complete Engineering
Analysis Tools



Process Knowhow,
Project Management,
Ramp Support,
Production Support



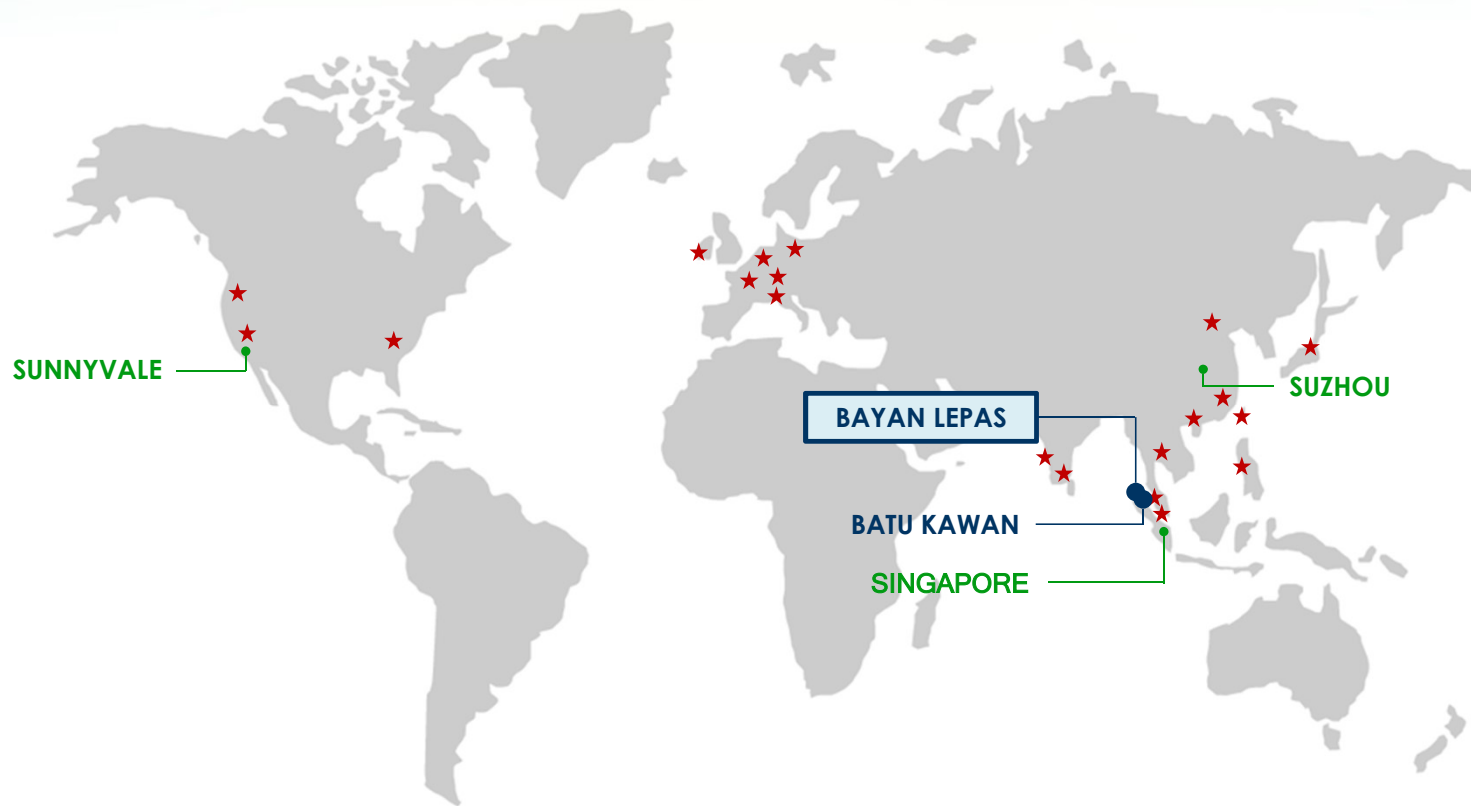
Modular Design, Reusable hardware and software.
Test cell, SemiAuto system, and production system correlation.

Value chain, suppliers, customers

Managing the complex value chain of the Group in ensuring a sustainable and ethical business culture:



Geographic footprint



- Offices
- Manufacturing facilities
- ★ Projects deployed

Production facilities



Headquarter located at Bayan Lepas, Penang, Malaysia.

- 140,310 sq ft., Design center, prototyping, small to large volume build (post expansion in Q2 2020)



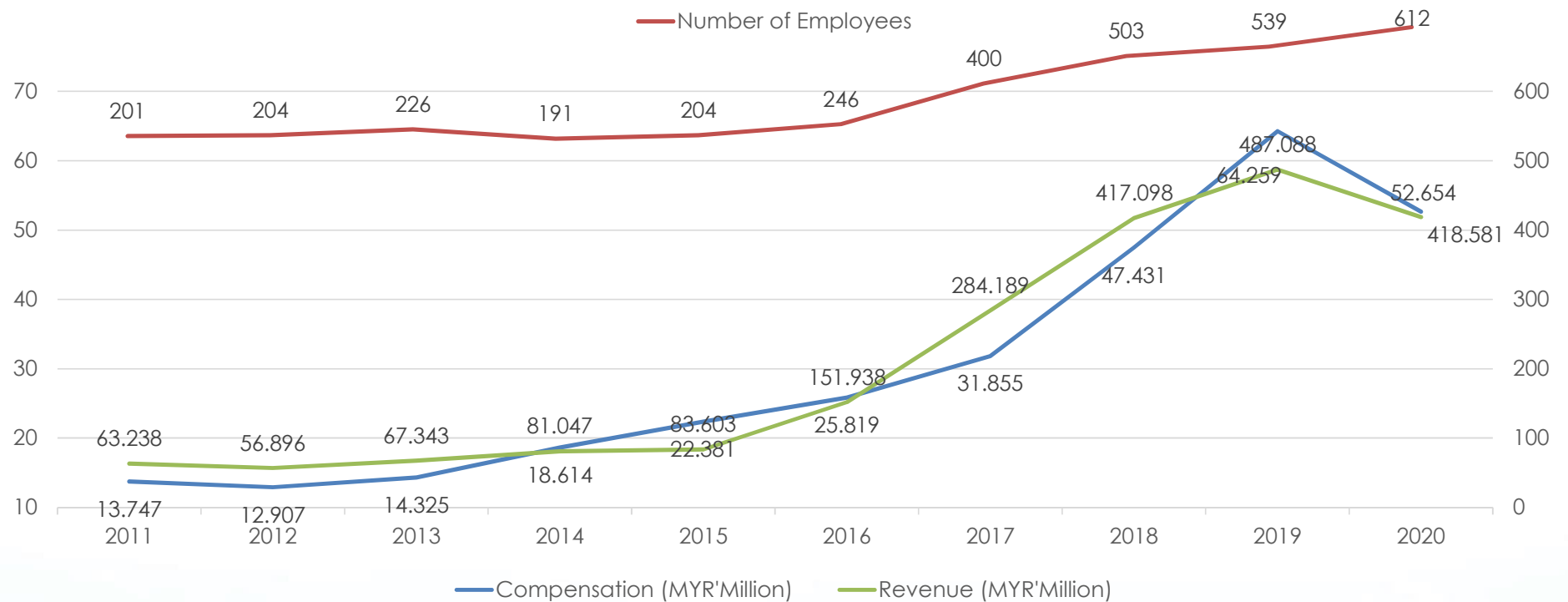
Second plant located at Batu Kawan, Penang, Malaysia.

- 97, 033 sq ft., High volume machine build, and equipment contract manufacturing

Human capital

The Group recognizes its employees as one of its most important assets. It strongly believes in hiring the right talent, nurturing and retaining these talented employees with competitive remuneration packages.

As of 31 December 2020, the Group had a total workforce of **612**, more than triple the amount of employees 10 years ago.



Corporate governance

The Group maintain a high standard of governance that is important for the Group's business in the long run

One of the Board functions is to provide independent and effective leadership to supervise the management of the Group's business and affairs, and to grow responsibly in a profitable and sustainable manner that is in the best interest of stakeholders. The Board also develops and reviews the Group's policies and practices on corporate governance including the Group's internal control and risk management framework.



Board diversity taking into account (including but not limited to) skills, knowledge, gender, age, cultural and educational background or professional experience



33% **Female** Directors

17.2% **Female** Employees (as of 31 Dec 2020)



50% Independent Board Members / Non Executive Directors

Audit Committee, Remuneration Committee and Nomination Committee are made up of **independent Board Members / Non Executive Directors**

Emissions

The Group's total emissions between 2018 to 2020 is summarized in the table below:

Emission	Breakdown	Target ^(a)	31 December 2020		31 December 2019		31 December 2018	
			Amount	Intensity ⁽¹⁾	Amount	Intensity ⁽¹⁾	Amount	Intensity ⁽¹⁾
Greenhouse Gas	Direct	Intensity < 20% by 2030	0.96	0.0023	1.03	0.0021	0.87	0.0021
	Indirect	Intensity < 20% by 2030	3,445.39	8.2273	3,327.75	6.8319	2,572.75	6.1682
Hazardous Waste	Industrial Wastage	Intensity < 20% by 2030	0.30	0.0007	0.24	0.0005	0.24	0.0006
Non-hazardous Waste	Solid Wastage	Intensity < 20% by 2030	131.93	0.3150	114.42	0.2349	168.90	0.4049

The Group total use of resources between 2018 to 2020 is summarized in the table below:

Resources	Target ^(a)	31 December 2020		31 December 2019		31 December 2018	
		Amount	Intensity ⁽¹⁾	Amount	Intensity ⁽¹⁾	Amount	Intensity ⁽¹⁾
Energy (electricity)	Intensity < 20% by 2030	4,169.88	9.9573	4,095.46	8.4081	3,157.29	7.5697
Water	Intensity < 20% by 2030	36,115.40	86.2408	64,559.56	132.5419	55,808.00	133.8007
Packing Materials	Intensity < 20% by 2030	131.93	0.3150	114.42	0.2349	168.90	0.4049
Papers	Intensity < 20% by 2030	1.73	0.0041	2.58	0.0053	3.76	0.0090

(a) Reduction target, setting 2020 as the base year

(1) Intensity of total use resources is calculated based on the amount of emission divided by the Group's revenue (MYR' million) in 2020, 2019 and 2018 respectively.

Compliance and monitoring of greenhouse gas emissions and hazardous waste

- A dedicated ESG committee from different functional groups reviews and monitors the environment management system at all factories of the Group.
- With ISO 9001:2015, the Group strictly comply with relevant environmental laws and regulations.

CSR initiatives



Pentamaster Low-Cost Ventilator

- Part of the Group's ESG initiatives in fighting Covid-19
- To support local Malaysia hospitals and less developed countries that couldn't afford expensive ventilators



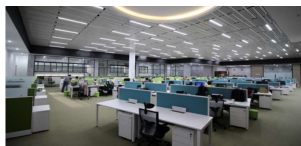
Pentamaster Support of distant learning

- Launched the leasing program for used laptops and desktops for students to support distant e-learning



Pentamaster's initiatives on the environmental and natural resources





- Replacement of all lightings to energy-efficient LED
- Installation of smart sensors to control electricity usage
- Installation of rainwater harvesting
- Reminder to employees to participate such as:
 - 3R Concepts (Reduce, Reuse and Recycle)
 - "Cost With No Waste" initiatives






Pentamaster's commitment to its employees & the community

- A conducive and open communication policy are adopted to foster a better working environment, besides providing equal opportunities to all employees.
- Complied with employment law and regulations and maintain high ethical standards with a workplace free from corruption.
- Pentamaster believes in corporate obligation to the community where it operates. During the year, the Group has initiated:
 - Free tuition classes and food allowances for underprivileged students
 - Donations to the Metro World Child, Charis Hospice (Penang), Malaysian Thalassaemia Societies
 - Financial Support to schools and Penang STEM StepUp initiative
 - The Group also continue provide industrial internship program to universities, colleges, polytechnics and other technical/vocational institutions in Malaysia and the region

Sustainability investments

Sustainable Development Goals (SDG)	The Group's View	The Group's Efforts and Programmes
 <p>Goal 3 Good health and well-being Ensure healthy lives and promote well-being for all at all ages.</p>	<p>The Group takes any potential risk to the health and safety on the workplace seriously. The Group promotes health, safety and well-being at the workplace.</p>	<p>Workplace health and safety: The Group keeps the work environment safe for the Group's employees. The Group has various sports recreational facility.</p>
 <p>Goal 4 Quality education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<p>The Group views the progress, development and inclusion of employees and community through the support of education and skills development opportunities.</p>	<p>Staff training and development The Group invests in learning development for our employees to support the Group's future business strategy. The Group also invests in the education for community.</p>
 <p>Goal 8 Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p>The Group is committed to make the company a vibrant workplace among its employees.</p>	<p>Fair Opportunity The Group offers equal employment opportunity without discrimination from career advancement. The Group has zero tolerance towards sexual harassment.</p>
 <p>Goal 9 Industry, Innovation and Infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</p>	<p>The Group views innovation as priority for the Group's future solutions across different business segments.</p>	<p>Research & Development The Group sets KPIs to develop new solution and/or improve the productivity of existing solution so they could better serve the customer.</p>

Sustainability investments

SDG	The Group's View	The Group's Efforts and Programmes
 <p>Goal 10 Reduced Inequalities Reduce inequality within and among countries</p>	<p>The Group is committed to creating equal opportunity for employees.</p>	<p>Equal opportunities There are equal opportunities for employment and promotion for all staff at all levels. The Group does not discriminate and values significant contributions based on merits, expertise, experience and dedication.</p>
 <p>Goal 12 Responsible Consumption and Production Ensure sustainable consumption and production patterns</p>	<p>The Group monitors waste management practices as part of the Group's business operations.</p>	<p>Responsible waste management Electronic and packaging are sources of wastes generated across the Group's operations. Hazardous wastages are collected by a certified supplier regularly.</p>
 <p>Goal 13 Climate Action Take urgent action to combat climate change and its impacts</p>	<p>The Group is committed to minimising environmental footprint across the Group's business operations.</p>	<p>Reduction target The Group sets a reduction target as a whole by 20% by 2030, stating 2020 as the base year.</p>

COVID-19 business impact and response



Visitation & Servicing with prior appointment and social tracking registration

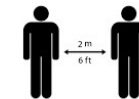


14 Days Quarantine For Employees Returning From Abroad



Temperature Screening

KEEP YOUR SOCIAL DISTANCE



Work SOP



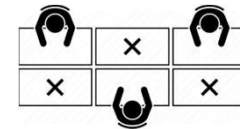
Crucial Business Trips with prior approval from the Government of Malaysia, Immigration Department



24/7 Customer Care



Sanitize Regularly



Distance Work Arrangement

Awards and recognition



Top 200 Forbes “Best Under a Billion” list of companies that are publicly listed in APAC - 2017, 2018, 2019, 2020



Malaysia Best Under Billion Awards 2018 (Focus Malaysia):

- Overall Winner
- Best Revenue Growth
- Best Enterprise Value



“Highest Growth in Profit After Tax Over Three Years” for the technology sector in THE EDGE’s Billion Ringgit Club (“BRC”) award 2020



Malaysia Best Under Billion Awards 2017 (Focus Malaysia)



“Highest Growth in Profit After Tax Over Three Years” and “Highest Returns to Shareholders Over Three Years” for the technology sector in THE EDGE’s Billion Ringgit Club (“BRC”) award 2019

Table of content



Introduction

Company profile
Investment case

Corporate overview

Milestones
Corporate structure
Board of directors
Management team
Shareholder structure
Commitment to minority shareholders
Dividend policy and history

Business Overview

Business model
Value chain, suppliers, customers
Geographic footprint
Production facilities
Human capital
Corporate governance
Emissions
CSR initiatives
Sustainability investments
COVID-19 business impact and response
Awards and recognition

Growth Drivers

Growth strategy
Macroeconomic tailwinds
Industry growth drivers
Market share and competitive advantages
Capex / Investment projects / Corp Exercise
New business
Business outlook

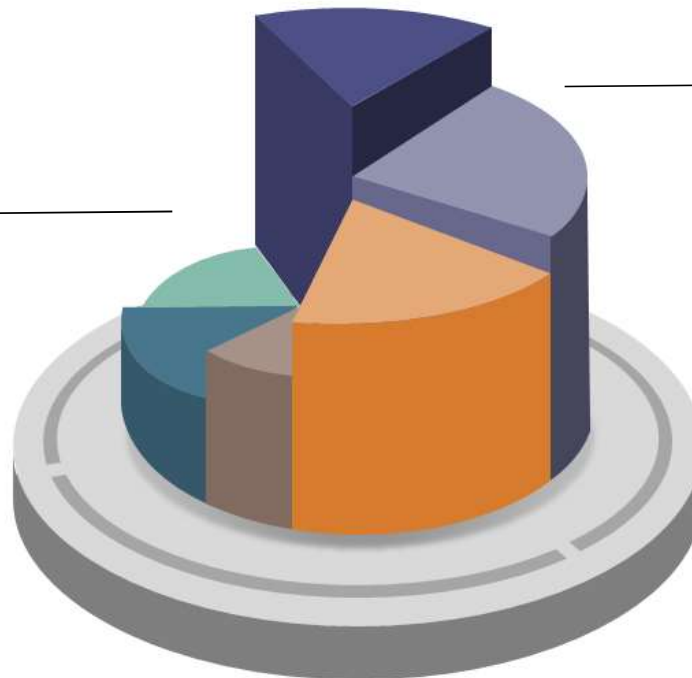
Financial overview

Financial highlights
Income statement summary and important ratios
Balance sheet summary and important ratios
Earnings guidance

Growth strategy

Product / Solution Diversification

- To develop deeper solutions into e-mobility with the electrification of the transportation and automotive industries
- To vertically and horizontally integrate and customized solutions for the electro-optical segment



Geographical Diversification

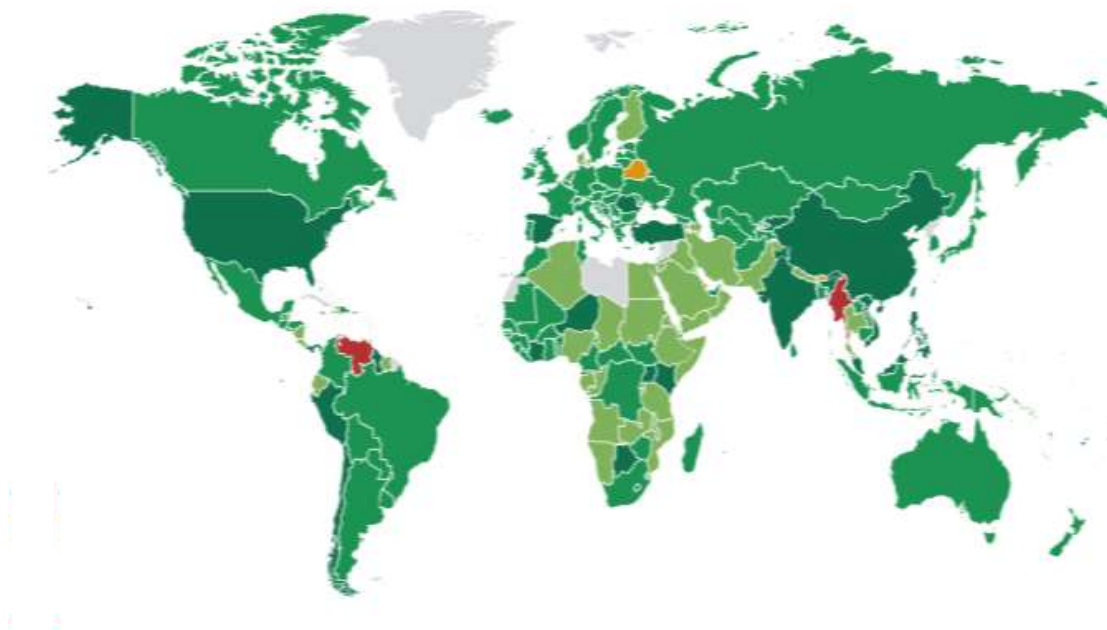
- To expand deeper into Greater China region
- To establish presence into key automotive markets (Japan / Germany)

Segmental Diversification

- To aggressively grow its medical division, leveraging on TP Concept's technical know-how for single use medical devices via Pentamaster MediQ
- To ride on Industry 4.0 and IoT adaption with i-ARMS solution

Macroeconomic tailwinds

● 6% or more ● 3% - 6% ● 0 - 3% ● -3% - 0 ● less than -3% ● no data



- Global prospects remain highly uncertain one year into the pandemic. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. The outlook depends not just on the outcome of the battle between the virus and vaccines—it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis.
- **Global growth is projected at 6 percent in 2021**, moderating to 4.4 percent in 2022. The projections for 2021 and 2022 are stronger than in the October 2020 WEO. The upward revision reflects additional fiscal support in a few large economies, the anticipated vaccine-powered recovery in the second half of 2021, and continued adaptation of economic activity to subdued mobility. High uncertainty surrounds this outlook, related to the path of the pandemic, the effectiveness of policy support to provide a bridge to vaccine-powered normalization, and the evolution of financial conditions.

Source: International Monetary Fund (April 2021)

Industry growth drivers



Annual Billings by Region in Billions of U.S. Dollars with Year-Over-Year Change Rates

Region	2020	2019	% Change
China	18.72	13.45	39%
Taiwan	17.15	17.12	0.2%
Korea	16.08	9.97	61%
Japan	7.58	6.27	21%
North America	6.53	8.15	-20%
Europe	2.64	2.28	16%
Rest of the World	2.48	2.52	-1%
Total	71.19	59.75	19%

Source: SEMI report, 13 April 2021 ([link](#))

Worldwide sales of semiconductor manufacturing equipment surged **19%** from **\$59.8 billion** in 2019 to a new all-time high of **\$71.2 billion** in 2020.

The breakdown are as follows:

- 1) For the first time, **China** claimed the largest market for new semiconductor equipment with sales growth of **39%** to **\$18.72 billion**.
- 2) Sales in Taiwan, the second-largest equipment market, remained flat in 2020 with sales of **\$17.15 billion**.
- 3) Korea registered **61%** growth to **\$16.08 billion** to maintain the third position.
- 4) Annual spending also increased **21%** in Japan and **16%** in Europe
- 5) Receipts in North America decreased **20%** in 2020 following three years of consecutive growth.

Global sales of wafer processing equipment rose **19%** in 2020, while other front-end segment sales grew **4%**. Assembly and packaging showed strong growth across all regions, resulting in a **34%** market increase in 2020, while total test equipment sales increased **20%**.

Industry growth drivers

Products representing growth opportunity for the semiconductor industry over the next year
(Averages on a 1 to 5 scale with 1=Low growth opportunity and 5=High growth opportunity.)

	2021 Outlook	2020 Outlook
Sensors/MEMS	3.8	3.7
Analog/RF/Mixed Signal	3.7	3.5
Microprocessors (GPU/MCU/MPU)	3.6	3.2
Optoelectronics	3.3	3.1
Memory (Flash, DRAM)	3.3	3.0
Other Logic	3.0	2.8
Discretes	2.9	2.6

Source: KPMG Global Semiconductor Industry Survey findings, 2021 (n=156); 2020 (n=195).

Source: KPMG report, February 2021 ([link](#))

Timeframe for 5G technology to become a significant driver of semiconductor industry revenue growth



Wireless, IoT and automotive applications driving growth

COVID-19 is spurring even greater interest and uptake of 5G communications by consumers and businesses. Despite the economic downturn and work-from-home mandates caused by COVID-19, the automotive sector retained its importance for the upcoming year, remaining the third-leading application expected to drive semiconductor revenue

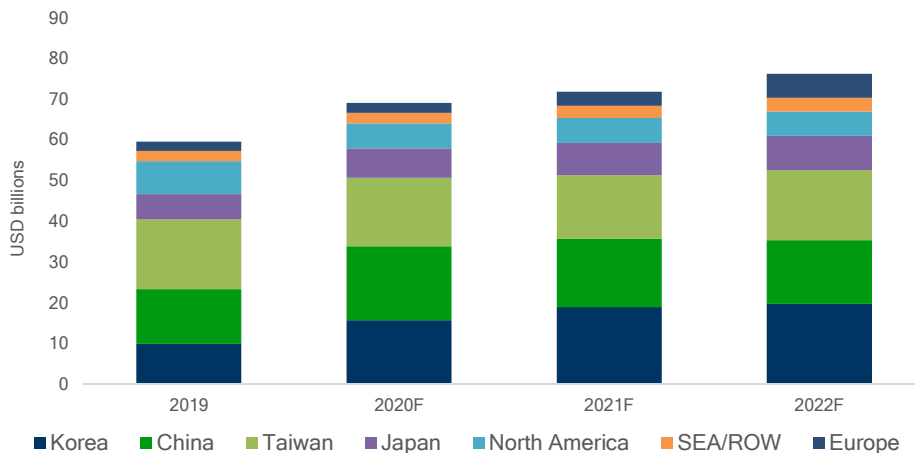
Sensors / MEMS are the leading product category

- Sensors/MEMS were selected as the number one growth product in 2021
- Analog/RF/Mixed Signal was ranked second
- Followed by GPU/MCU/MPU category
- Adoption of IoT and 5G technology to continue to drive significant growth in revenue and investments
- Automotive Is another category that is driving the growth of these products as all levels of assisted-driving and autonomous vehicles are increasing the use of these components

Industry growth drivers

Global sales of semiconductor manufacturing equipment to reach \$76.1b in 2022 and \$71.9b in 2021

SEMI Year-End Total Equipment Forecast by Region



Source: SEMI report, 14 December 2020 ([link](#))

Global sales of semiconductor manufacturing equipment by original equipment manufacturers are projected to increase until 2022 (2022: \$76.1b; 2021: \$71.9b; 2020: \$68.9b; 2019: \$59.6b) driven by the front end and the back-end semiconductor equipment segments.

The assembly and packaging equipment segment is forecast to grow 20% to \$3.5b in 2020, followed by 8% and 5% increases in 2021 and 2022, respectively, driven by advanced packaging applications. The semiconductor test equipment market is expected to rise 20% in 2020, reaching \$6b, and continue to expand in 2021 and 2022 on demand for 5G and high-performance computing (HPC) applications.

The wafer fab equipment segment - which includes wafer processing, fab facilities, and mask/reticle equipment - is projected to rise 15% to reach \$59.4b in 2020, followed by 4% and 6% growth in 2021 and 2022, respectively. The foundry and logic segments, which account for about half of total wafer fab equipment sales, will see a mid-teens percentage increase this year to reach \$30b in spending driven by investments in leading-edge technologies. Spending on NAND flash manufacturing equipment will surge 30% this year, surpassing \$14b, while DRAM is expected to lead the expansion in 2021 and 2022.

Industry growth drivers



Worldwide semiconductor revenue grew to \$442b in 2020 and will reach \$476n in 2021

Despite the impact of COVID-19 on the global economy, the semiconductor market performed better than expected in 2020, fueled by the growth in cloud computing and demand for devices to support remote work and learning. Worldwide semiconductor revenue grew to \$442b in 2020, an increase of 5.4% compared to 2019.

The DRAM and NAND markets also recovered after a poor 2019, growing 4% and 32.9%, respectively.

IDC forecasts the semiconductor market will reach \$476b in 2021, a 7.7% year-over-year growth rate as the various COVID-19 vaccines are disseminated and economies begin to open and gradually recover

The market for semiconductors in computing systems, such as PCs and servers, outpaced the overall semiconductor market, growing 10.9% y-o-y to \$152b in 2020. "Measures to control the COVID-19 infection forced workers and students to stay at home, which forced corporations and consumers alike to acquire PCs," said Shane Rau, research vice president, Computing Semiconductors. "Further, the dispersal of workers and students away from centralized locations forced cloud service providers, telecommunications providers, and corporate IT departments to invest in their computing infrastructure." IDC forecasts computing systems revenues will grow 6.3% to \$161b in 2021.

Smartphones were the 2nd largest demand driver for 2020 with 5G and healthy competition for lower cost in 5G phones being sold at a wide variety of price ranges. Mobile phone shipments fell by more than 5% in 2020, but mobile phone semiconductor revenues will have grown by about 3% due to a shift to higher ASP 5G semiconductors, more memory, sensors, and RF support for more spectrum bands. 2021 will be an especially important year for semiconductor vendors as 5G phones capture 30% of all mobile phone shipments while semiconductors for 5G phones will capture nearly 54% of the revenue in the segment. IDC forecasts mobile phone semiconductor revenues will grow by 11.4% in 2021 to \$128b.

Automobile sales, including light commercial vehicles, in 2020 declined 14.5% to 71 million vehicles, resulting in an 8.4% decline in automotive semiconductor revenues to \$37b. "Semiconductor content growth in vehicles continues to outpace vehicle unit sales growth, with growth in semiconductors that enable electrification, infotainment and connectivity, and ADAs. For 2021, IDC forecasts that non-memory automotive semiconductor revenue will grow 12.6%.

Source: IDC report, 2 February 2021 ([link](#))

Industry growth drivers

Power SiC Devices Market Dynamics

- SiC is expected to be adopted at a larger scale by more OEMs starting from 2022. Thus, the YoY growth rate is expected to accelerate starting from 2022.
- The aftermath of the global Covid-19 outbreak seems to slow down Q/Q growth in Q1 2020. Major player STMicroelectronics announced a stronger Q2 2020, with main customer being Tesla that has minimized the Covid-19 impact by ramping up quickly in Q2 2020 in Shanghai plant.
- In general, H1-2020 was weak in term of production and revenues for SiC companies, with a more positive business outlook for H2-2020.
- According to the industry feedback, the SiC based EV projects remain almost unchanged despite the pandemic.
- Chinese OEM BYD kept up with the initially announced launch date for its Han EV despite the pandemic. The OEM expects good sales levels.

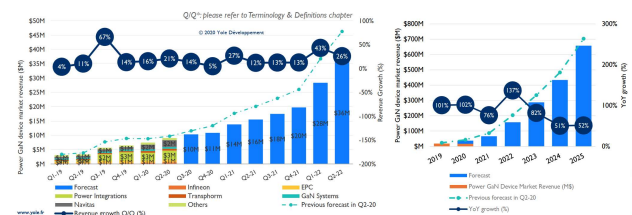
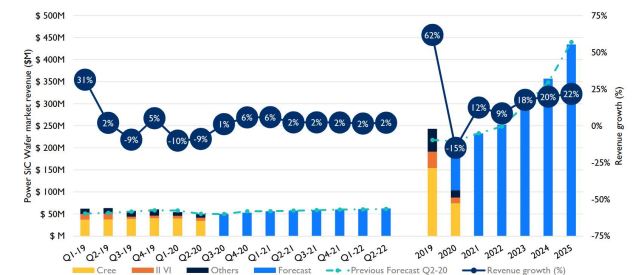
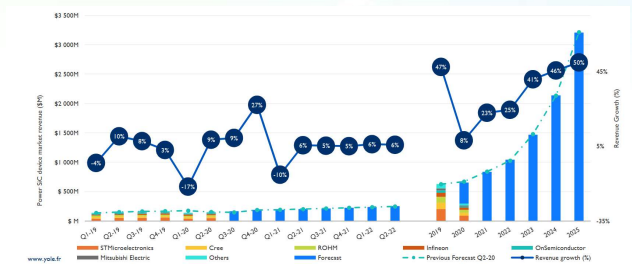
Power SiC Wafer Market Dynamics

- Following the short supply situation in 2018, there had been an inventory build of wafer and epiwafers in 2019 by Cree/Wolfspeed. Players such as Sicrystal and Tankeblue increased their revenues significantly in 2019.
- As a result of the stocking and pandemic impacts, the overall wafer demand has been reduced in H2 2020.
- Driven by the global market recovery starting from Q4 2020, the wafer market is expected to regain its momentum.
- The YoY growth rate is expected to increase drastically from 2023, driven by the significant growth in the EV/HEV market

Power GaN Devices Market Dynamics

- GaN is still disruptive and will continue in this mode for the next 18 months.
- The GaN market is impacted by the smartphone shipment due to Covid-19 pandemic.
- Moving forward, the increase in demand for accessory fast chargers from Chinese OEMs, and from the other side to delays in launching flagships and major OEMs targeting mid-tier smartphones in 2021 to a more budget friendly devices to soften the economic impact of the pandemic.
- Due to the increase of demand for smartphones in H2 2020 and the revised 2019 market, expect a more pronounced YoY growth rate for power GaN device market estimated at 102% from 2019 to 2020.

Source: Yole Development Research, 2020

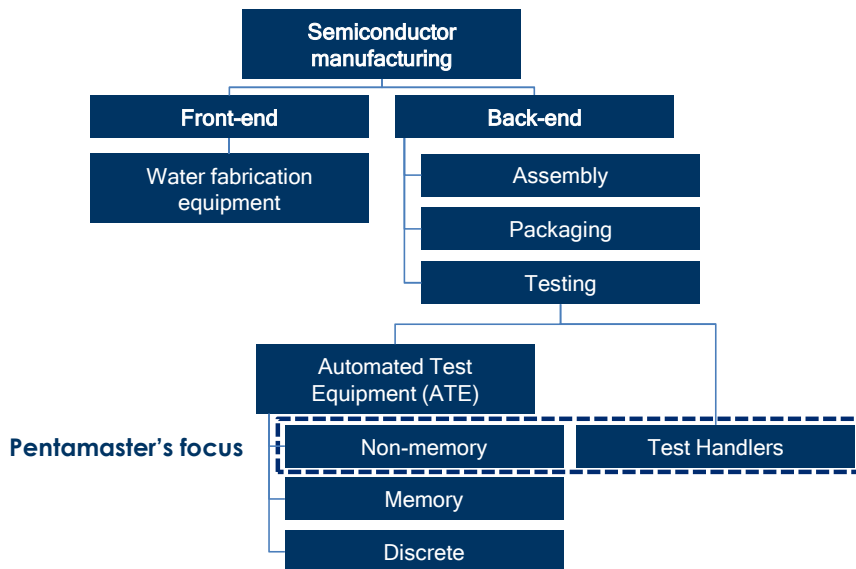


Industry growth drivers

The Global Back-End Semiconductor ATE Market

The Group is involved in the non-memory ATE and test handlers' markets. Test handlers are estimated to constitute about 10.0% to 12.0% of the back-end test equipment market.

The figure below is a summary of front-end and back-end segmentation of the semiconductor manufacturing processes:



Sources:

- (1) "IoT and Automotive to Drive IC Market Growth Through 2020", IC Insights, accessed June 2017
- (2) "Electric Vehicle Sales: Facts and Figures", Edison Electric Institute, April 2019
- (3) China Industrials Report "IGBT and eDrive system expert call takeaways", Morgan Stanley Research (3 August 2020)
- (4) "World Population Prospects: The 2017 Revision, Key Findings and Advance Tables", Department of Economic and Social Affairs, Population Division (2017), United Nations

Key drivers



Telecommunications

- In a typical smartphone, there are generally at least 5 sensor modules
- Major manufacturers such as Apple, Samsung, Oppo and Huawei launch new smartphone products at least once a year
- The shorter product cycles will likely result in an unprecedented demand for ATEs



Automotive

- Revenue from semiconductor ICs in the automotive sector amounted to US\$22.9 billion in 2016, with an expected CAGR of 10.3% for 2015 to 2020¹
- at least 2.1 mn EVs on the roads worldwide in 2018, with the PRC and the U.S. accounting for 56.3% and 17.0%²
- Particularly, SiC (silicon carbide)-based products are gaining popularity with new energy vehicle being the driving force. It is estimated that China's IGBT market alone could hit RMB50 billion in 2020³



Medical devices

- The ageing population constitutes 13.0% of the global population in 2017 and this equates to approximately 962 million people aged above 60 years⁽⁴⁾
- Pen Needle market is projected to reach USD 1.8 billion by 2024 from USD 1.1 billion in 2019 at a CAGR of 10.8%.
- The global IVC market is projected to generate revenue worth USD 5.5 billion by 2022, registering a CAGR of 6.0%
- Advancements in medical electronics have enabled remote and real-time patient data collection, where semiconductor ICs will play a major role in the healthcare industry

Market share and competitive advantages



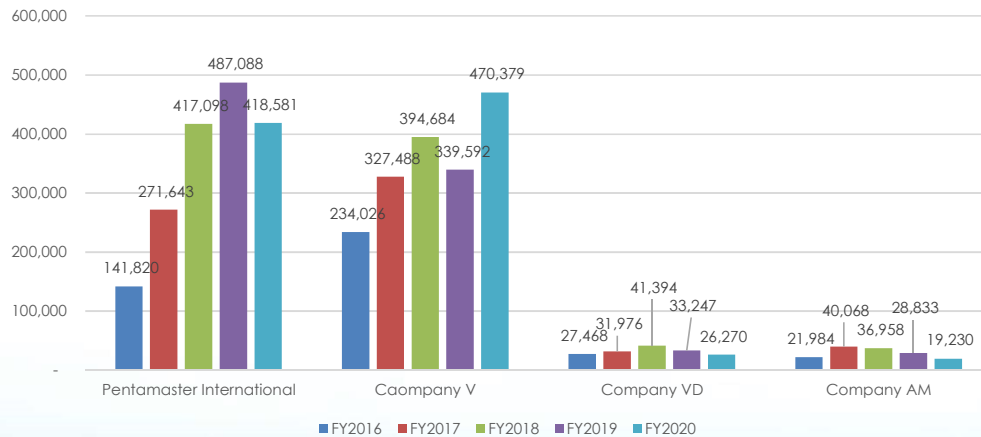
Unique competitive advantages

- Our Group is in a position to customise its non-memory ATE and test handlers as part of its FAS business segment. Our diverse engineering skills in robotics, mechanical engineering, vision inspection, control optimisation, optics, software automation and firmware programming are unique selling points of our Group.
- Our Group's management team has, on average, over 20 years of working experience in the semiconductor relevant industry. Their knowledge and understanding of the manufacturing processes, distribution channels and sound professional relationships with stakeholders in the value chain are factors that have been and will be crucial to our Group's success in the ATE and FAS markets.
- Our Group's customer base mainly includes multinational corporations that have been depending on us for the development of reliable testing equipment and automation solutions. Our Group has a good reputation domestically and abroad, having been listed consecutively for 4 years (2017, 2018, 2019, 2020) in "Forbes Best Under a Billion" list of companies that are publicly listed in APAC.

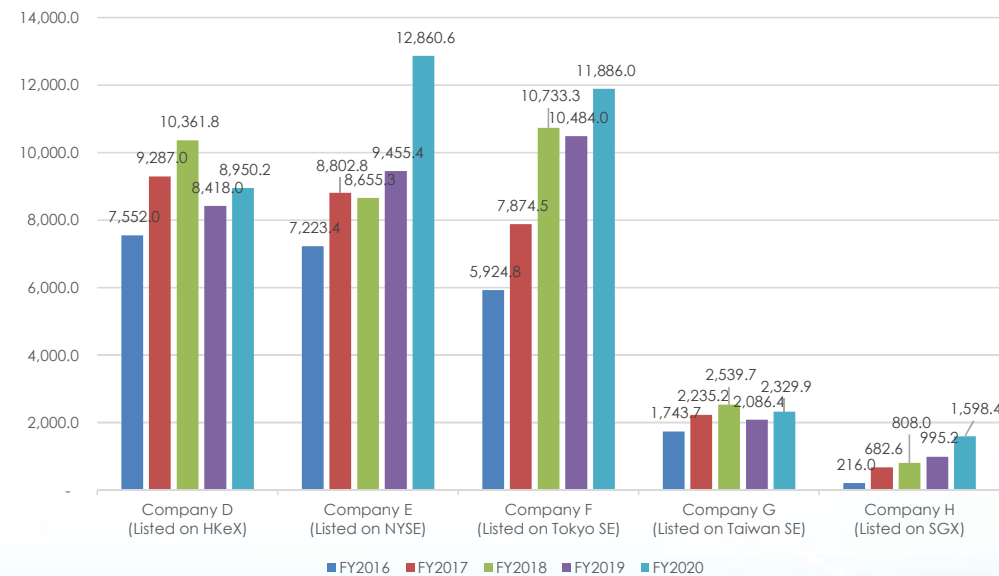
Market share

**The profiles of the back-end ATE competitors are based on each company's financial reports. A fair comparison between our Group and our competitors would require revenue information on just the back-end test equipment, which is not readily available. Additionally our Group and some of our competitors are also involved other business segments*

Local Market Share - Revenue (MYR' Million)



Global Market Share - Revenue (MYR' Million)



Capex / Investment projects / Corp Exercise



- MYR60million for medical division expansion between FY 2021 to FY 2023
- MYR25million for plants' expansion (production space) in 2021 for Bayan Lepas and Batu Kawan factory
- Proposed Bonus Issue of 1 new share for every 2 existing shares held and proposed to change its Board Lot size from 4,000 shares to 2,000 shares, subject to shareholders' approval at the coming Shareholders Annual General Meeting.

New business



The Group's solutions for e-Mobility Insulated Gate Bi-Polar Transistors (IGBT) covers both the Front-End and Back-End Processes which includes Assembling, Testing, AOI Inspections and Packaging.

Assembly

- Laser Marking
- Singulation DBC
- Pin Insertion
- Epoxy Dispense & Case Attach

Test

- AC/DC Test
- Isolation Test
- High Voltage & Temperature Test

Final AOI + Packing

- Pin Height
- X,Y Pin Position
- Warpage Heatsink
- Packing



Assembly – Laser Marking

A high speed and precision laser marking handler designed for Direct Bonded Copper.



Assembly – Pin Insertion

A fully automated Pin Insertion Handler designed for IGBT processing reeled thru-hole or press-fit into the casing



Test – AC/DC Test, Isolation Test, High Voltage & Temperature Test

A High Speed Linear base Test Handler which is capable of performing high voltage/current test onto IGBT up to 2000V and 150A current with >50Amps Pulse (<100ms)



Final AOI + Packaging

a linear base handler which is designed to inspect & ensure that the IGBT modules Pin Height & Positions along with the heatsink cosmetics are up to the stringent requirements before packaging them into trays

New business

The Group's medical solutions covering design, manufacturing and assembling of automated equipment for intravenous catheter, and design together with manufacturing capabilities for single-use medical devices and its components



Cannula Assembly Machine



Extension Machine



Dual Safety Pen Needle & Safety IVC



Final Assembly Machine

Business outlook



Since the beginning of 2021, the Group has been experiencing order intake momentum on the back of improving sentiment for the equipment market with more optimism, albeit uneven, on the overall macro-economic situation following the roll-out of COVID-19 vaccination. The semiconductor industry is also experiencing a “super cycle” given the chips shortage impacting every aspect of the manufacturing industries. To further compound with the 5G deployment, artificial intelligence adaptation, Internet of Things and electrification in the automotive industry, the Group is well positioned to embrace and capture the growth and demand opportunities in this dynamic market given its current exposure to a broader industry segments.

At present, the Group is closely monitoring the pertinent concern revolving the global semiconductor supply chain constraint and will elevate its focus on its material sourcing process by taking into consideration its delivery commitment to its customers as well as the current order book visibility. While the Group has been aggressively ramping up its capacity to meet delivery commitments for the coming quarters, its immediate focus is to take every effort to protect the safety and health of its employees to ensure minimal disruption to its business operations.

Table of content



Introduction

Company profile
Investment case

Corporate overview

Milestones
Corporate structure
Board of directors
Management team
Shareholder structure
Commitment to minority shareholders
Dividend policy and history

Business Overview

Business model
Value chain, suppliers, customers
Geographic footprint
Production facilities
Human capital
Corporate governance
Emissions
CSR initiatives
Sustainability investments
COVID-19 business impact and response
Awards and recognition

Growth Drivers

Growth strategy
Macroeconomic tailwinds
Industry growth drivers
Market share and competitive advantages
Capex / Investment projects / Corp Exercise
New business
Business outlook

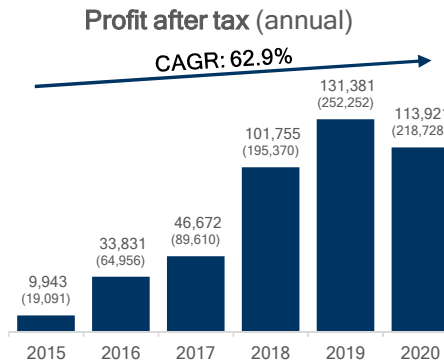
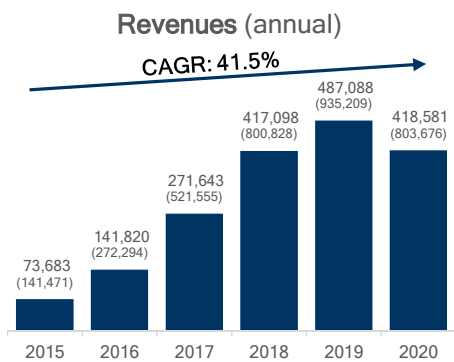
Financial overview

Financial highlights
Income statement summary and important ratios
Balance sheet summary and important ratios
Earnings guidance

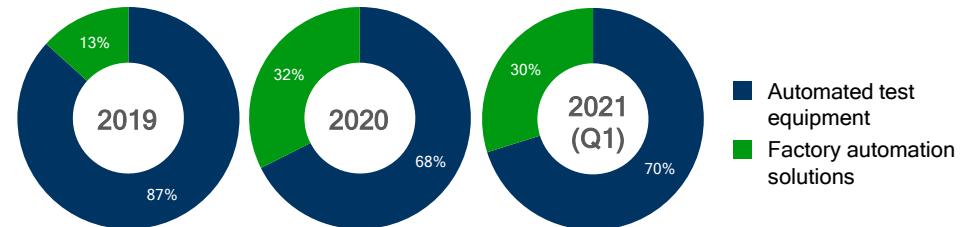
Financial highlights

The Group continuously achieved record-breaking revenue and PAT since 2016, with CAGR of revenue >41% and PAT >62%, from FY 2015 to FY 2020. The solid result generated arises from the Group's consistent focus on its business strategies with its key strengths in designing and developing holistic customized automation and test solutions backed by a dedicated team of management team and employees. For FY2020, with the pandemic affecting global economies, the Group's revenue was impacted by 14.1% as compared to the Group's revenue in FY2019.

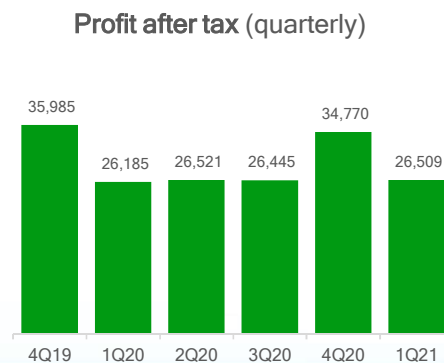
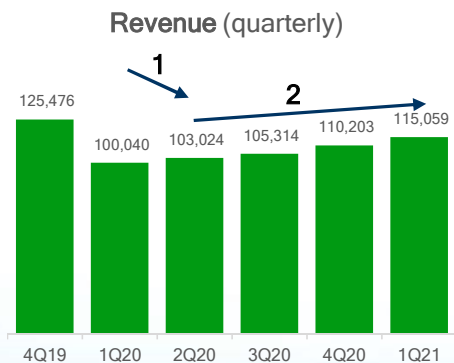
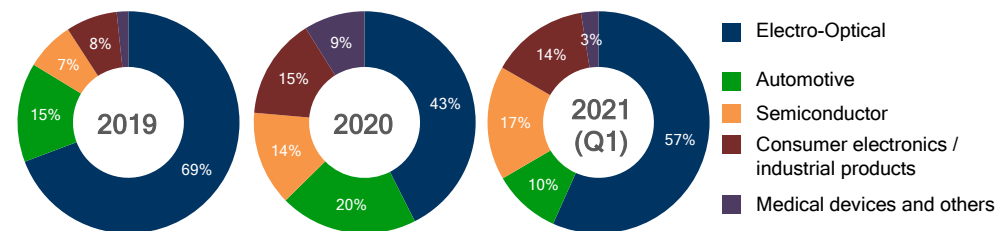
MYR'000(HKD'000)|Exchange rate: MYR 1.00 to HKD 1.92



Revenue by segment



Revenue by customer



- (1) The decrease in revenue from Q42019 to Q12020 was mainly due to project "push-out" where travelling restrictions imposed globally from the COVID-19 situation affected the Group's operations
- (2) Post COVID-19 outbreak, The Group has been stepping up its effort in managing its project delivery and installation. The Group expects to have more delivery and installation in 2021

Income statement summary



Income statement					
in thousands	2016	2017	2018	2019	2020
Revenue	141,820	271,643	417,098	487,088	418,581
Cost of sales	(96,682)	(194,434)	(280,877)	(308,034)	(278,188)
Gross profit	45,138	77,209	136,221	179,054	140,393
<i>Gross profit margin</i>	<i>31.8%</i>	<i>28.4%</i>	<i>32.7%</i>	<i>36.8%</i>	<i>33.5%</i>
Other income	5,586	5,752	6,522	14,332	10,455
Administrative expenses	(14,935)	(32,390)	(32,552)	(45,874)	(26,871)
Distribution costs	(2,939)	(5,257)	(4,426)	(7,201)	(7,808)
Other operating expenses	(47)	(85)	(145)	(211)	(45)
Operating profit	32,803	45,229	105,620	140,100	116,124
<i>Operating margin</i>	<i>23.1%</i>	<i>16.7%</i>	<i>25.3%</i>	<i>28.8%</i>	<i>27.7%</i>
Finance costs	(15)	(12)	(188)	(186)	(117)
Share of results of an associate	-	(38)	(66)	(734)	(1,203)
Profit before tax	32,788	45,179	105,366	139,180	114,804
<i>PBT margin</i>	<i>23.1%</i>	<i>16.6%</i>	<i>25.3%</i>	<i>28.6%</i>	<i>27.4%</i>
Taxation	1,043	(4,483)	(5,357)	(7,799)	(883)
<i>Effective tax rate</i>	<i>-3.2%</i>	<i>9.9%</i>	<i>5.1%</i>	<i>5.6%</i>	<i>0.8%</i>
Profit after tax	33,831	40,696	100,009	131,381	113,921
<i>PAT margin</i>	<i>23.9%</i>	<i>17.2%</i>	<i>24.0%</i>	<i>27.0%</i>	<i>27.2%</i>

Important ratios					
	2016	2017	2018	2019	2020
Net profit margin (adjusted) ¹	23.9%	17.2%	24.4%	27.0%	27.2%
Return on equity	39.0%	36.6%	31.2%	29.9%	21.4%
Return on total assets	26.7%	16.0%	20.1%	22.7%	17.3%
Current ratio	2.1x	1.5x	2.4x	3.4x	4.1x
Quick ratio	1.6x	0.7x	1.6x	2.9x	3.8x
Inventory turnover (days)	66.3	130.6	168.7	117.1	61.2
Debtors' turnover (days)	82.4	43.4	35.6	41.4	87.9
Creditors' turnover (days)	38.7	32.7	40.9	41.4	61.8

Note:

(1) Net profit margin (adjusted) is calculated based on the profit for the year excluding non-recurring listing expenses, divided by revenue during the year.

Income statement summary (by Quarters)



Income statement					
in thousands	Q12020	Q22020	Q32020	Q42020	Q12021
Revenue	100,040	103,024	105,314.00	110,203	115,059
Cost of sales	(65,925)	(66,185)	(70,453)	(75,625)	(80,224)
Gross profit	34,115	36,839	34,861.00	34,578	34,835
<i>Gross profit margin</i>	<i>34.1%</i>	<i>35.8%</i>	<i>33.1%</i>	<i>31.4%</i>	<i>30.3%</i>
Other income	9,540	3,441	5,518.00	-	10,766
Administrative expenses	(14,056)	(9,205)	(10,884)	(770)	(15,076)
Distribution costs	(1,887)	(1,935)	(2,011)	(1,975)	(3,105)
Other operating expenses	(24)	(12)	(47)	38	(42)
Operating profit	27,688	29,128	27,437	31,871	27,378
<i>Operating margin</i>	<i>27.7%</i>	<i>28.3%</i>	<i>26.1%</i>	<i>28.9%</i>	<i>23.8%</i>
Finance costs	(38)	(37)	(36.00)	(6)	(24)
Share of results of an associate	(349)	(321)	(218)	(315)	(125)
Profit before tax	27,301	28,770	27,183	31,550	27,229
<i>PBT margin</i>	<i>27.3%</i>	<i>27.9%</i>	<i>25.8%</i>	<i>28.6%</i>	<i>23.7%</i>
Taxation	(1,116)	(2,249)	(738)	3,220	(720)
<i>Effective tax rate</i>	<i>4.1%</i>	<i>7.8%</i>	<i>2.7%</i>	<i>-10.2%</i>	<i>2.6%</i>
Profit after tax	26,185	26,521	26,445	34,770	26,509
<i>PAT margin</i>	<i>26.2%</i>	<i>25.7%</i>	<i>25.1%</i>	<i>31.6%</i>	<i>23.0%</i>

Important ratios					
	Q12020	Q22020	Q32020	Q42020	Q12021
Net profit margin (adjusted)	26.2%	25.7%	25.1%	31.6%	23.0%
Return on equity	22.5%	22.2%	21.1%	26.1%	18.8%
Return on total assets	17.8%	17.2%	17.2%	21.1%	15.4%
Current ratio	4.0	3.6	4.5	4.1	4.1
Quick ratio	3.6	3.3	4.2	3.8	3.8
Inventory turnover (days)	60.3	59.4	40.7	40.8	47.4
Debtors' turnover (days)	68.5	76.1	101.3	115.8	125.6
Creditors' turnover (days)	31.9	68.3	61.3	75.6	73.3

Balance sheet summary

Balance Sheet					
in thousands	2016	2017	2018	2019	2020
Cash and cash equivalents	26,298	81,643	217,705	303,955	300,280
Inventories	17,554	121,541	138,115	59,458	33,836
Trade receivables	32,010	32,648	48,701	61,692	139,896
Trade payables	10,241	24,551	38,378	31,478	62,671
Total assets	126,478	292,009	497,947	578,357	659,276
Total liabilities	39,794	164,628	177,568	139,434	125,731

Important ratios					
	2016	2017	2018	2019	2020
Gearing ratio	12.3%	9.1%	3.7%	0.8%	0.6%
Debt-to-equity ratio	0.0%	3.1%	1.1%	0.8%	0.6%

Balance Sheet					
in thousands	Q12020	Q22020	Q32020	Q42020	Q12021
Cash and cash equivalents	313,103	317,980	297,216	300,280	292,988
Inventories	43,552	43,085	31,418	33,836	41,640
Trade receivables	75,127	85,971	116,940	139,896	158,356
Trade payables	23,081	49,562	47,300	62,671	64,402
Total assets	587,493	618,373	616,676	659,276	688,969
Total liabilities	122,385	140,701	114,952	125,731	126,261

Important ratios					
	Q12020	Q22020	Q32020	Q42020	Q12021
Gearing ratio	0.0%	0.0%	0.0%	0.0%	0.0%
Debt-to-equity ratio	0.7%	0.7%	0.6%	0.6%	0.5%

Earnings guidance



- The Company does not provide any sales and earnings guidance
- The Company's internal target - low to mid teens growth in sales and earnings for FY 2021 (vs FY 2019)

THANK

You

Investor Relations Team

Gan Pei Joo, Executive Director and CFO (pjgan@pentamaster.com.my)

Leng Kean Yong, Non-executive Director (yang@pentamaster.com.my)

investor.relation@pentamaster.com.my / pentamaster@icaasia.com



Innovate • Automate • Integrate

www.pentamaster.com.my