

# GE-SHEN CORPORATION BERHAD

Corporate Profile & Q2FYE2021 Results  
13 August 2021

*"Globally recognized engineering & manufacturing solutions provider"*



in collaboration with



INTEGRITY



TRANSPARENCY



OWNERSHIP



RESPECT



SPEED

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Accordingly, interested parties are advised to carry out their own due diligence, investigations, analysis of any information contained or referred to herein or made available at any stage in this process.

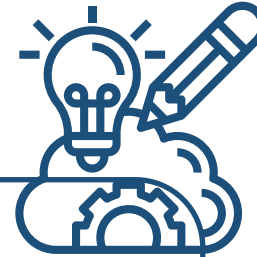
That the information contained in our presentation is true and accurate in all material respects and is not misleading as at the date hereof, that the opinions and the intentions of the Group expressed herein are honestly held, and that there are no other facts the omission of which would make this Presentation as a whole or any information herein or expression of any such opinions or intentions misleading.

# COMPANY OVERVIEW



# COMPANY OVERVIEW

## Company Snapshot



Listed since 2004 on the Main Market of Bursa Malaysia Securities Berhad (GSCB:MK; 7197)

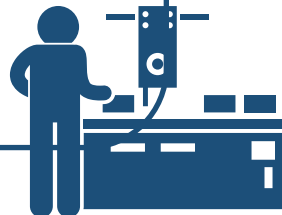
Specializes in design, development and technology-driven manufacturing, operating out of the South-East Asian region

Headquartered in Kuala Lumpur, Malaysia with a combined workforce of over 1,500 staff across:

- 4 factories located in Malaysia and Vietnam; and
- 1 global sales office located in Singapore

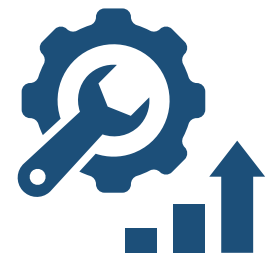
Manufactured products are used in various business sectors, including:

- medical & life-sciences;
- industrial applications (e.g. semiconductor testing equipment);
- consumer electronics (e.g. home audio, office automation); and
- home & lifestyle products.



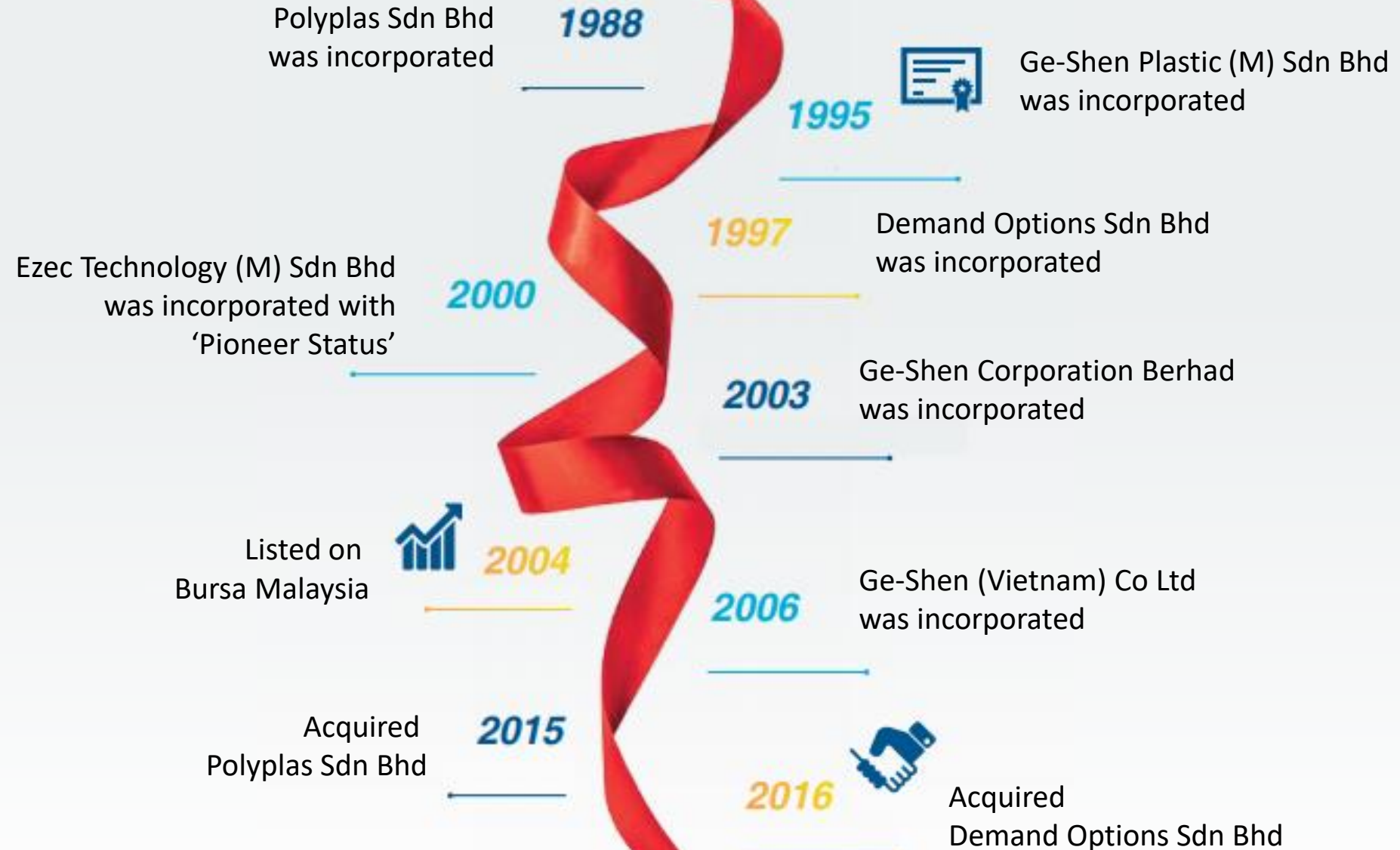
Aim to be a leader in contract manufacturing, with expertise in:

- innovative mould design;
- metal stamping and fabrication;
- injection moulding;
- spray painting;
- surface finishing; and
- box build, packing and assembly for our customers.



# KEY MILESTONES

## OUR JOURNEY



# CORPORATE STRUCTURE



# BOARD OF DIRECTORS



**CHEW HOY PING**  
*(Independent Non-Executive Chairman)*



**CHAN CHOONG KONG**  
*(Managing Director)*



**LOUIS LAU PUONG KIET**  
*(Executive Director)*



**SURESH A/L THIRUGNANAM**  
*(Independent Non-Executive Director)*



**TEE BOON HIN**  
*(Independent Non-Executive Director)*



**NOOR AIEDA BINTI AHMAD**  
*(Independent Non-Executive Director)*



# BUSINESS OVERVIEW



# WHAT WE DO

## OUR FOCUS

To bring customers' ideas to life. Our well-engineered manufacturing solutions are critical for smooth delivery of products to the marketplace.

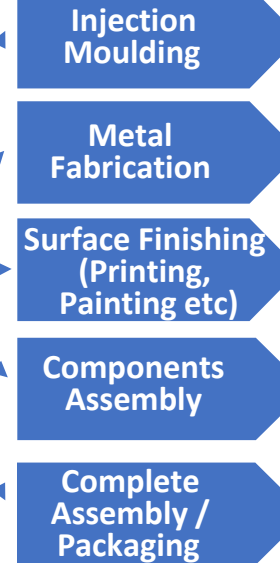
## OUR AIM

To deliver a hassle-free uncompromised experience to our customers, allowing them to focus on designing and selling their products.



### WE PROVIDE

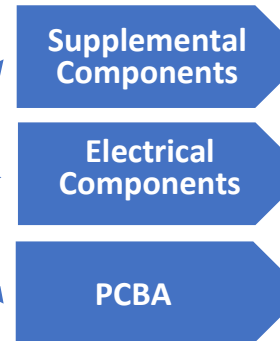
➤ engineering & manufacturing solutions



A TYPICAL PRODUCT LIFE-CYCLE

### WE VALUE ADD

➤ by helping clients source...



# OUR LOCATIONS



**Penang, Malaysia**  
Injection Moulding Factory

**No. of machines:** 65  
(Injection Moulding  
– 25 to 1100 tonnes)

**Capabilities:**  
Plastic Moulding,  
Toolroom, Spray painting,  
Printing and Assembly



**Hai Duong, Vietnam**  
Injection Moulding  
Factory

**No. of machines:**  
50 (Injection Moulding  
– 40 to 1100 tonnes)

**Capabilities:**  
Plastic Moulding, Toolroom,  
Spray painting, Printing and  
Assembly

## Johor Bahru, Malaysia



Plastic Moulding Factory

**No. of machines:** 88  
(Injection Moulding  
– 50 to 850 tonnes)

**Capabilities:**  
Plastic Moulding, Toolroom,  
Spray painting, Printing and  
Assembly



Metal Fabrication Factory

**No. of machines:** 78 (Metal  
stamping and fabrication  
– 45 to 400 tonnes)

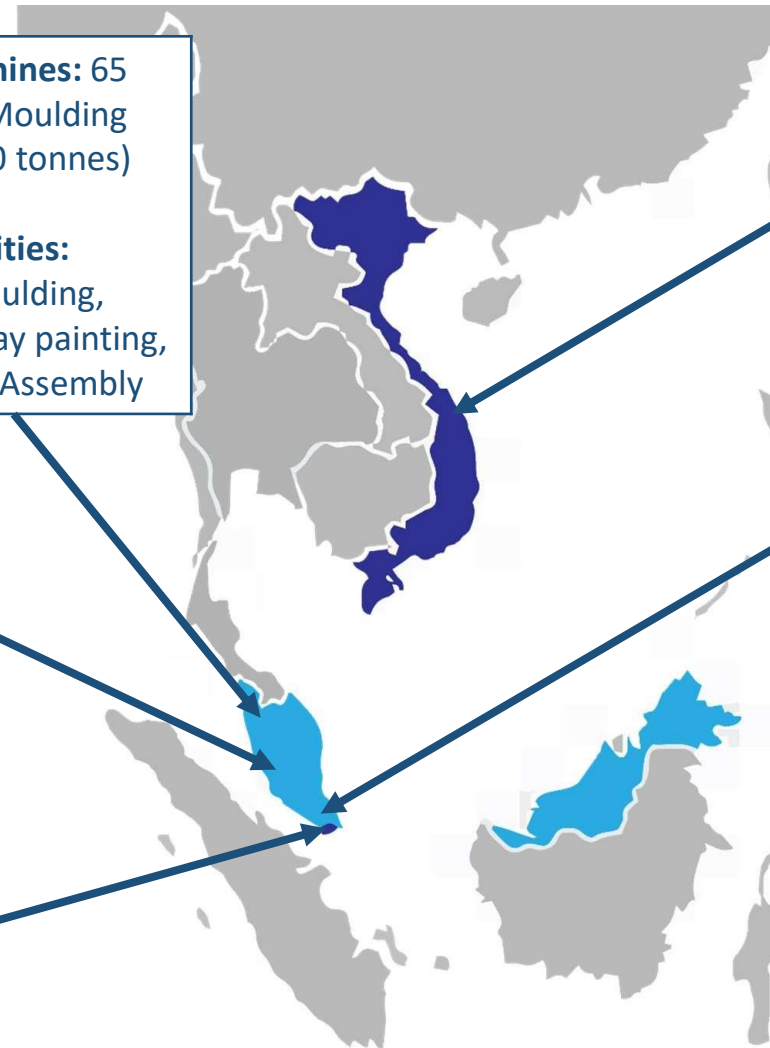
**Capabilities:**  
Laser cut, Bending, Welding,  
Metal stamping, Powder  
coating and Assembly



**Kuala Lumpur, Malaysia**  
Ge-Shen Headquarters



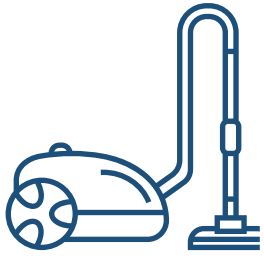
**Singapore**  
Ge-Shen Sales Office



# OUR INDUSTRY COVERAGE

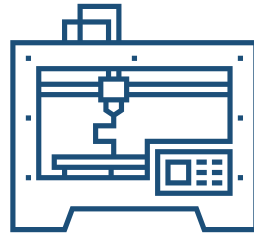
Products and components manufactured include:-

## HOME & LIFESTYLE



- Fan
- Vacuum cleaner
- Smoke detector
- Marine navigation system
- Pet care
- Food storage

## INDUSTRIAL



- Testing equipment
- 3D Printers
- Solar panel components
- Industrial grade CCTV components

## OFFICE AUTOMATION & DATA STORAGE



- Bar code machines
- Phone systems
- Home Printers
- Industrial printers
- Personal hard disk enclosures
- Flash drive

## MEDICAL, LIFE SCIENCES & DENTAL



- Hearing Devices
- Automated external defibrillator (AED) enclosures
- Breathing aid
- Bronchoscope
- Oral irrigator

## AUDIO



- Audio units front panels
- Sound bars
- Speaker units
- Turntable base
- Headphones
- Juke boxes

# OUR CAPABILITIES

## DESIGN ENGINEERING SERVICES



- Tool and mould designs
- Feasibility studies
- Part design
- Design for manufacturability
- Computer aided design
- Computer aided manufacturing
- Computer aided engineering

## SUPPLY CHAIN AND PROJECT MANAGEMENT



- Competitive sourcing
- Delivery solutions
- Multi-vendor management
- Supplier management
- Supplier chain auditing
- Project planning
- Vendor sourcing
- Production planning
- Material testing

## MOULD & TOOL FABRICATION



- 2K injection mould
- Insert & Outsert mould
- Overmould
- Unscrewing mould
- Prototype mould
- Low run mould
- Mirror finish mould
- Multi-stage mould
- Hot tip/Hot runner moulds

## LIQUID SILICONE RUBBER



- Food grade silicone rubber
- Overmould liquid silicone rubber
- Medical liquid silicone rubber
- ISO 8 clean room

## PLASTIC INJECTION MOULDING



- Thermal cycling
- High speed moulding
- Multi-stage hydraulic core pull mould
- Overmoulding
- Control and ISO 8 clean room moulding
- Thin wall moulding
- 2K moulding
- High precision moulding

## CNC MACHINING



- CNC milling
- CNC turning
- CNC drilling
- Electrical discharge machining
- Wire electric discharge machining
- Low volume part production
- Prototype part production

## PROTOTYPE PARTS



- FDM 3D printing
- CNC machined parts
- Laser cut parts

## SHEET METAL FABRICATION



- Laser cut
- Turret punching
- NC press brake
- Insertion press
- TIG & MIG welding
- Spot welding
- Cold metal transfer (CMT) welding
- Ultrasonic welding
- Induction bonding

## METAL STAMPING



- Deep draw progressive stamping
- Precision stamping

## COATING & SURFACE FINISHING



- Powder coating
- Laser etching
- Spray painting
  - Water
  - Solvent
  - 2 components
  - Conductive
  - Spindle
  - Robotic

## PRINTING



- Silk screening
- Screen printing
- Pad printing
- Foil transfer printing
- Thermal transfer printing

## ASSEMBLY SERVICES



- Line based assembly process
- Cell based assembly process
- Vision system inspection
- Barcoding

# CERTIFICATION & SUSTAINABILITY

	<b>ISO 9001: Quality Management Systems</b>
	<b>ISO 14001: Environmental Management Systems</b>
	<b>OHSAS 18001: Occupational Health and Safety Management Certification</b>
	<b>ISO/TS 16949: Automotive Products QMS</b>
	<b>ISO 13485: Medical Devices QMS</b>
	<b>UL 746D: Polymeric Materials: Fabricated Parts</b>
	<b>FDA Registered Facility</b>



International  
Organization for  
Standardization

Underwriters  
Laboratories

**Sedex** Member



Ge-Shen adopts a United Nations (UN) Sustainable Development framework that includes 17 Sustainable Development Goals (SDGs) and complies with many of the industry's sustainability guidelines.

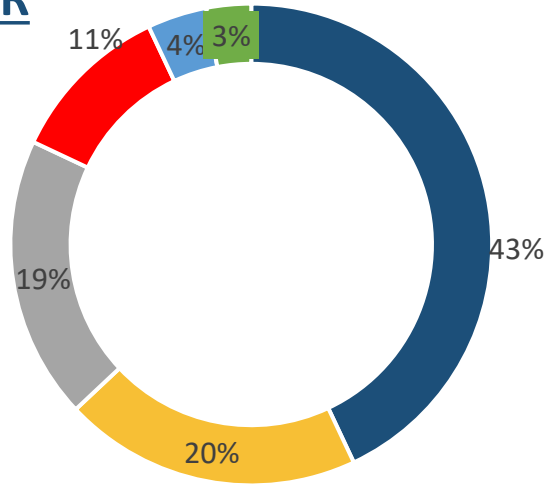
# FINANCIAL OVERVIEW



# GROUP REVENUE 2020

Revenue is based on shipment destination.  
 All our sites are “Licensed Manufacturing Warehouse” (LMW) in Malaysia & “Export Processing Enterprise” (EPE) in Vietnam - hence we are not required to charge sales tax.

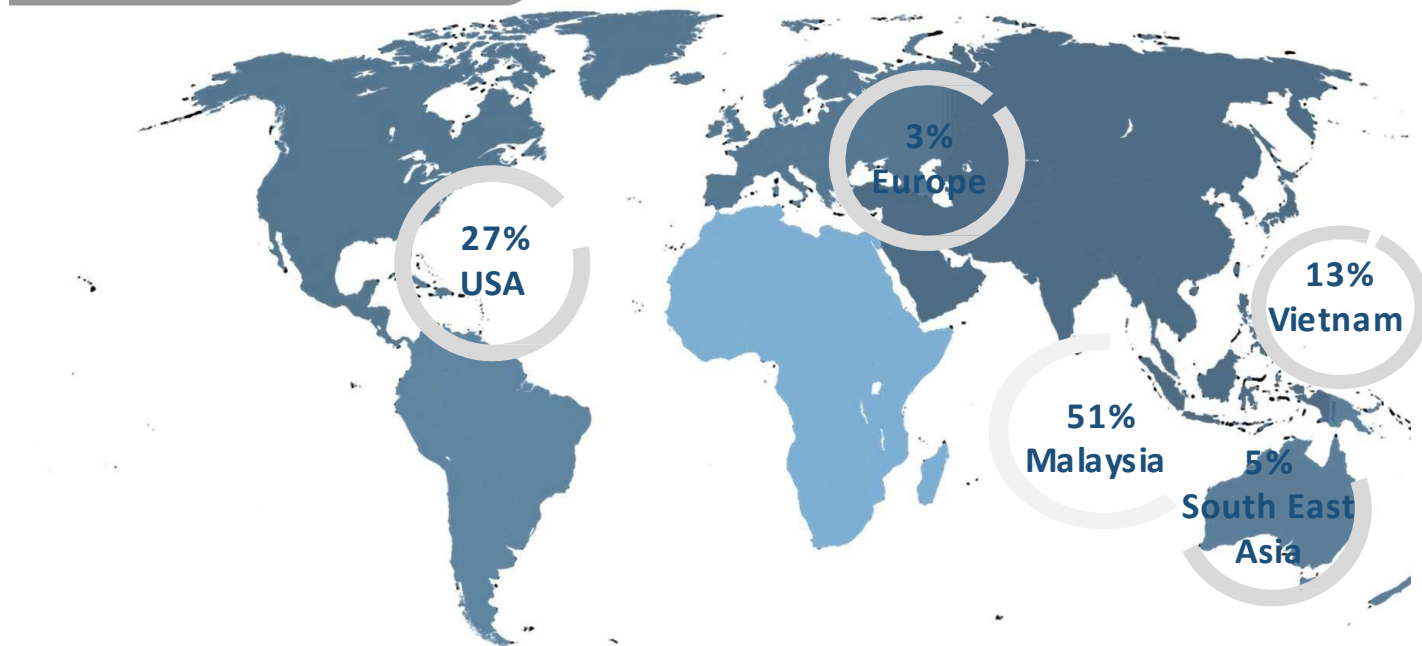
## BY SECTOR



- Industrial
- Home & Lifestyle
- Medical & Life Sciences
- Office Automation & Data Storage
- Audio
- Others

**TOTAL REVENUE:**  
**RM 196 Mil**

## BY REGION

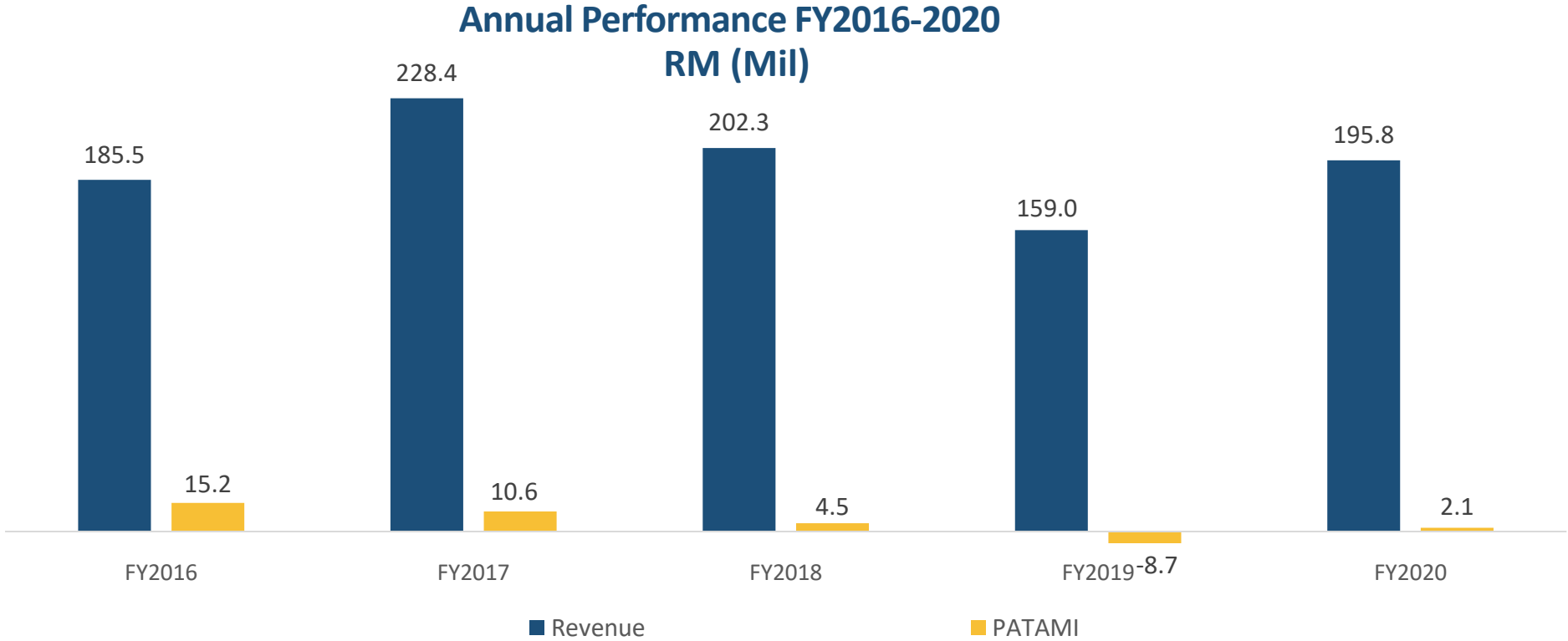


## BY FACTORY





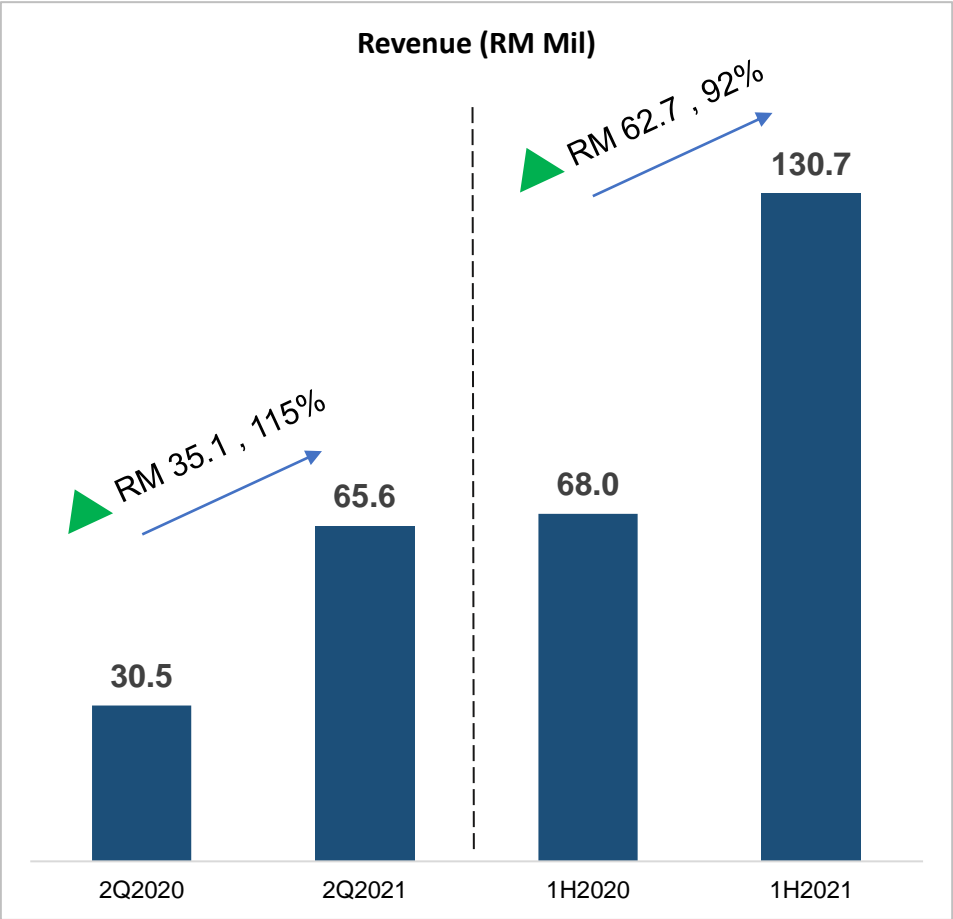
# FINANCIAL OVERVIEW



- Ge-Shen Corporation recorded RM195.8 million in revenue in FYE2020, representing an increase of 23.1% from RM159.0 million in the preceding financial year.
- The increase in revenue was due to higher sales contributed from an increase in customers order as well as the increased fulfilment of orders by factories.

# FINANCIAL OVERVIEW

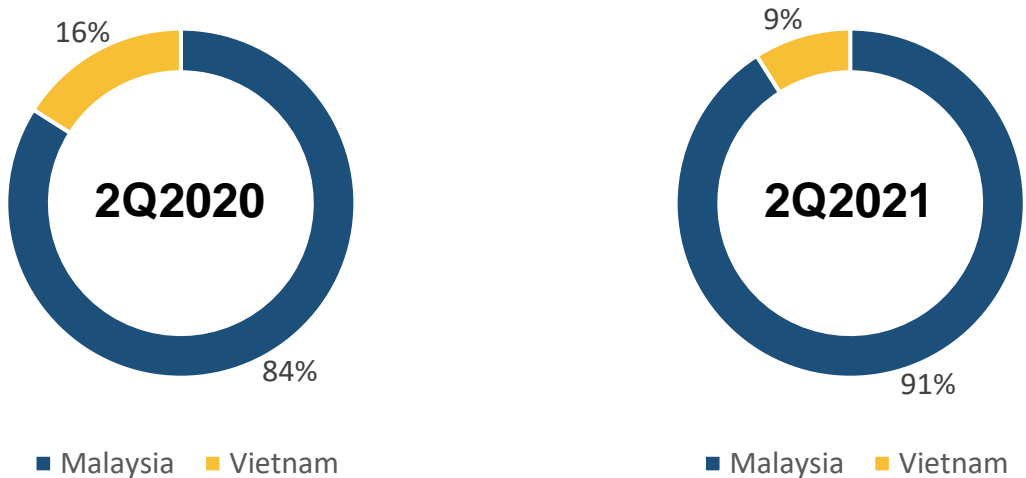
## Q2FY2021 Revenue and Geographical Segmental Breakdown



Revenue growth primarily driven by:

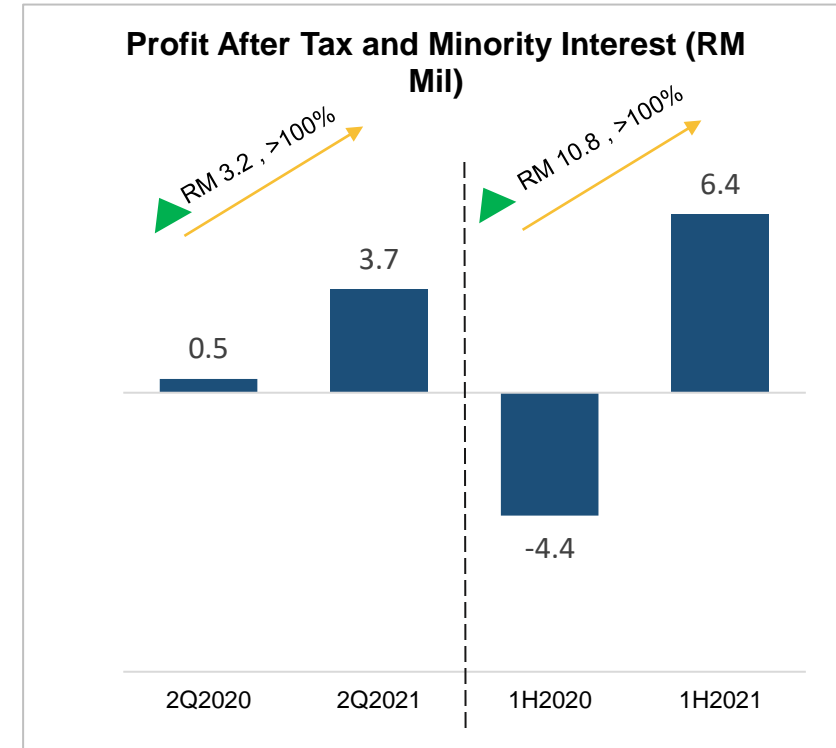
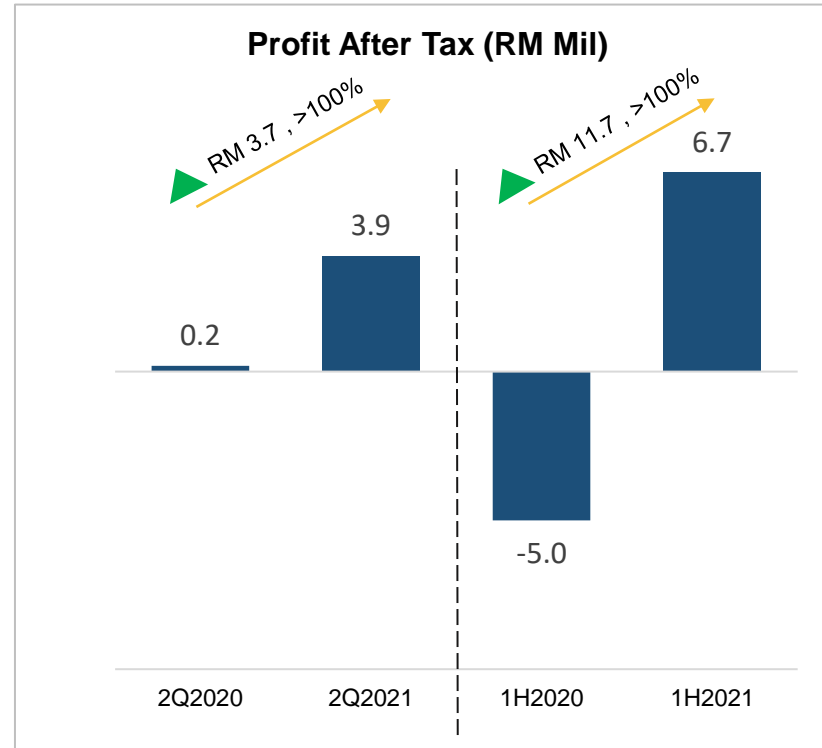
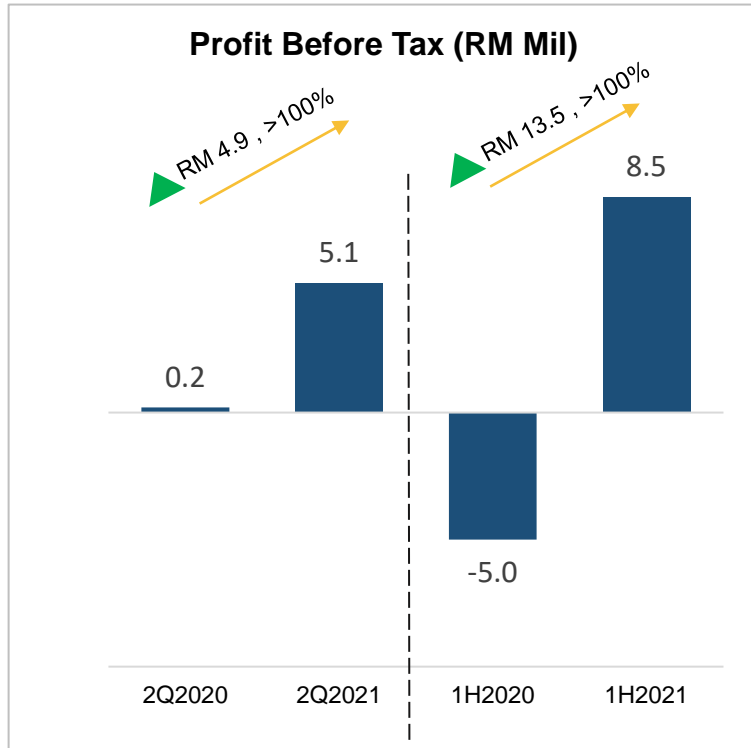
- i. stronger customer pipeline due to the re-opening of Western economies;
- ii. new projects entering mass production stage; and
- iii. 1<sup>st</sup> MCO in 2020 hence lower revenue in 2Q2020

### Revenue Breakdown by Geographical Segment



# FINANCIAL OVERVIEW

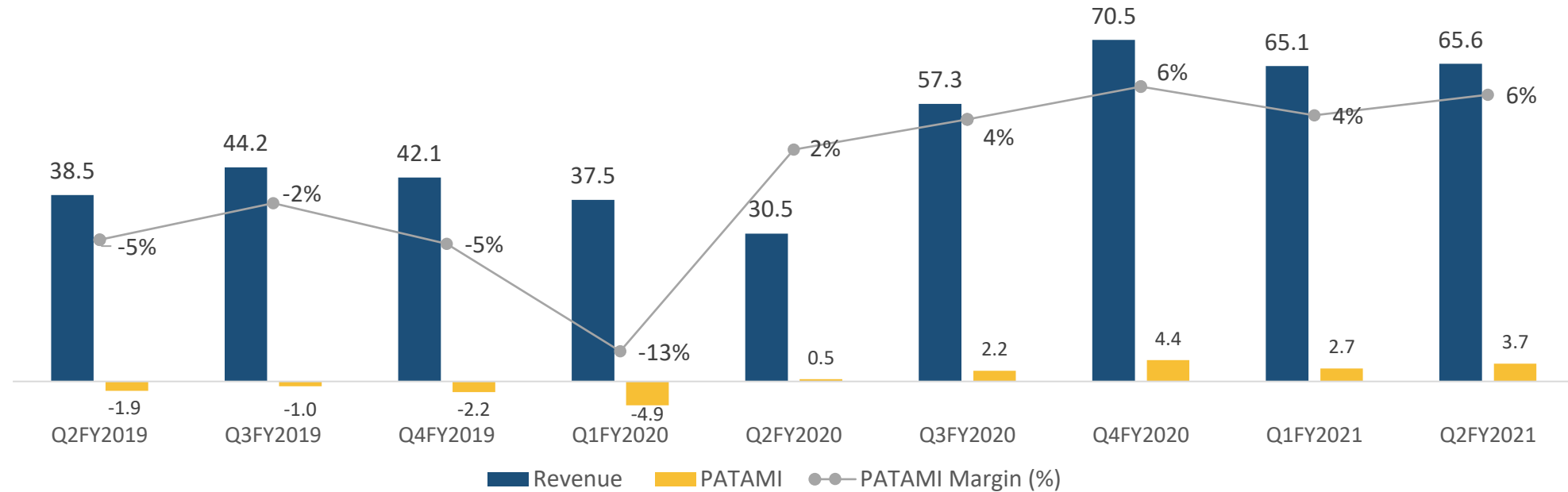
## Q2FY2021 PBT, PAT and PATAMI



- Positive growth for PBT, PAT and PATAMI despite being impacted by the onset of Covid-19 disruption.
- **2Q2021 vs 2Q2020:** PBT, PAT and PATAMI grew steadily due to better customer orders and run rate.
- **1H2021 vs 1H2020:** The overall positive growth for the period under review was mainly attributable to the higher volumes in the month of April and May, which allowed for better absorption of overheads and other costs, as well as steady customer pipeline.

# FINANCIAL OVERVIEW

## Quarterly Performance FY2019-2021 RM (Mil)



- The Group built on the momentum from Q1FY2021 and managed to sustain revenue for Q2FY2021, notwithstanding second quarters are generally slower quarters.
- Barring the total lockdown brought by the Covid-19 pandemic, Q2FY2021 would likely have met or surpassed the Group's highest quarterly sales revenue of RM70.5 million which was set in Q4FY2020.
- The Group has experienced a turnaround having achieved 5 consecutive quarters of PATAMI (Q3FY2020 – Q2FY2021) compared to its previous 5 consecutive quarterly LATAMI (Q2FY2019 – Q2FY2020).

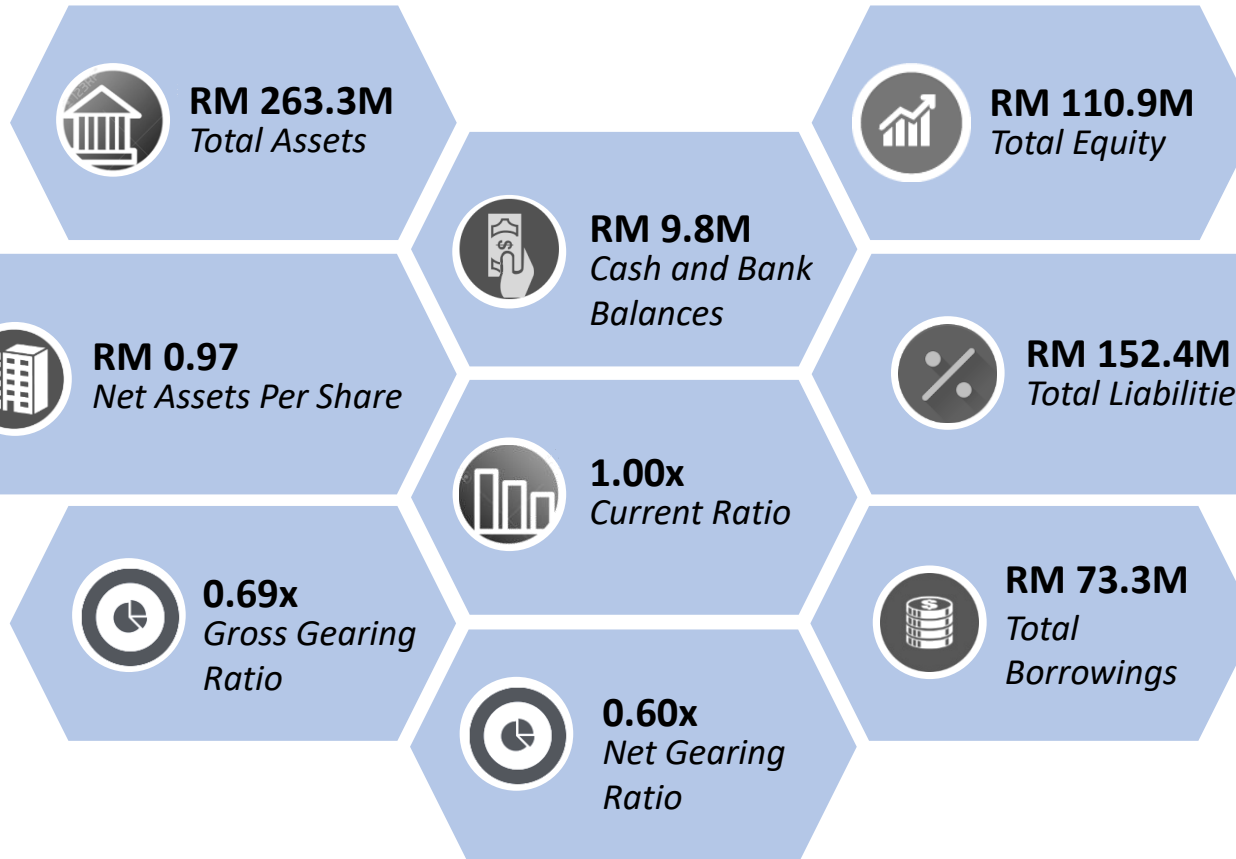
# FINANCIAL OVERVIEW

## Annual Financial Position 2018-2020

(RM'000)	2018	2019	2020
Assets			
Total Tangible Assets	179,741	204,174	221,500
Net Assets	107,722	98,873	100,042
Current Assets	76,804	76,357	97,142
Liabilities and Shareholders' Funds			
Current Liabilities	58,453	80,024	100,472
Paid-up Share Capital	45,643	45,643	59,381
Shareholders' Funds	101,884	93,367	95,346
Financial Ratios			
Return on Total Tangible Assets (%)	3.0%	-4.0%	1.0%
Return on Shareholders Funds (%)	4.4%	-9.3%	2.2%
Current Ratio (times)	1.31	0.95	0.97
Debt-to-Equity Ratio	0.51	0.86	0.82

# FINANCIAL OVERVIEW

As at 30 June 2021



# KEY INVESTMENT HIGHLIGHTS



# KEY INVESTMENT HIGHLIGHTS

01

## **Diversified product offering with strong order demand**

- Provider of wide range of products from metal fabrication to injection moulding and surface finishing.
- Strong order demand with constant engagement in the manufacturing process to cater to customers' unique requirements.
- Diversified customer base in different sectors: Consumer Electronics, Industrial Electronics, Medical and Life Sciences.

02

## **Continuous commitment to Capex investment**

- Invested into additional certified 100K Clean Room and Control Rooms at Johor and Penang manufacturing facility.
- Purpose is to cater to growing client base, particularly in the medical industry, both locally and globally in Europe and the USA.
- Installation of rooftop solar panels at all Malaysian facilities in line with commitment to sustainability.

03

## **Growth opportunities with further expansion plans in pipeline**

- Increased global demand for medical injection, moulding and facilities capable of handling food related products.
- In 2021, the Group has increased capacity by almost 20% in its Johor manufacturing facility and 10% in Penang.

04

## **Emphasis on business development with an adaptive organisational nature**

- Roll-out of new projects with the re-opening of Western economies.
- Aims to secure new projects while looking to expand customer base locally and globally to sustain growth in 2022.

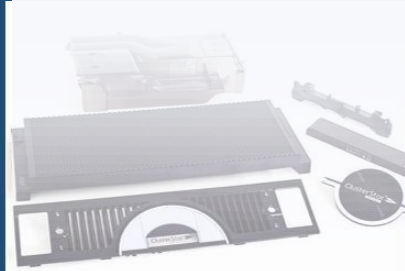
05

## **Highly qualified and experienced management team**

- Turnaround in earnings and sustained profits in last 5 quarters due to strong execution capabilities, strategic thinking and firm leadership.

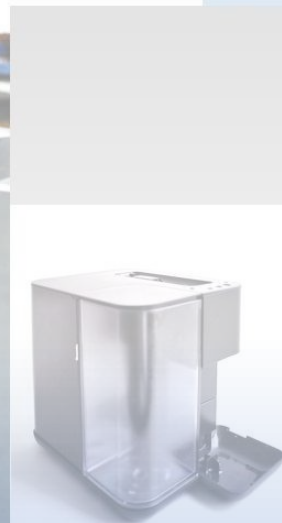
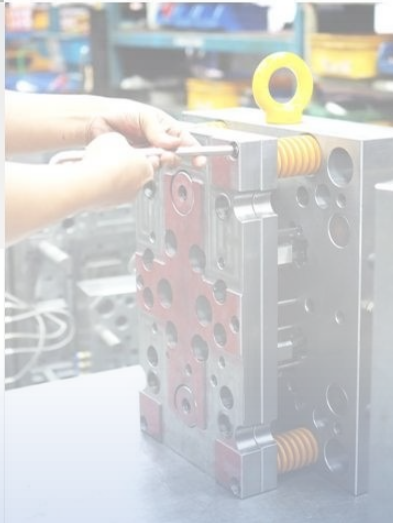
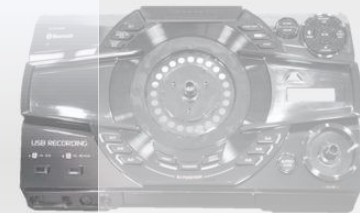


# MOVING FORWARD



**GE-SHEN**  
CORPORATION BERHAD



# MOVING FORWARD

## Future Prospects

- In light of Covid-19, the Group is cautious on the health and safety of its employees. Hence, it expects slight factory floor operational disruptions moving into the second half of the financial year.
- Nevertheless, the Group has secured new projects and seen an increase in demand from customers at its manufacturing facilities.
- The Ge-Shen Team is working towards closing the gaps and fulfilling customer orders as much as possible, while continuously looking to expand its customer base. The Group is optimistic on its growth prospects once the National Vaccination Programme takes effect and upon return to pre-pandemic normality.

## Solar Project

- On a sustainability note, Ge-Shen has invested in a solar project with an estimated saving of almost RM0.7 mil pre-tax or RM0.5 mil after tax which is 40% of 2020 profit (without taking into account depreciation and finance cost).
- Overall with the savings, this project is expected to be net cash positive from Day 1. With this investment, Ge-Shen is contributing to more than 1,000,000 kgs of carbon emission per annum.

	Group	Ge-Shen Plastic	Demand Options	Polyplas
<b>System Capacity (kWp)</b>	1,437.10	727.18	435.60	274.32
<b>Cost(RM)</b>	3,445,729.60	1,751,616.40	1,028,887.20	665,226.00
<b>Expected Annual Solar Energy Yield (KWH)</b>	1,860,688.46	928,608.86	556,261.20	375,818.40

# STOCK INFORMATION



# STOCK INFORMATION

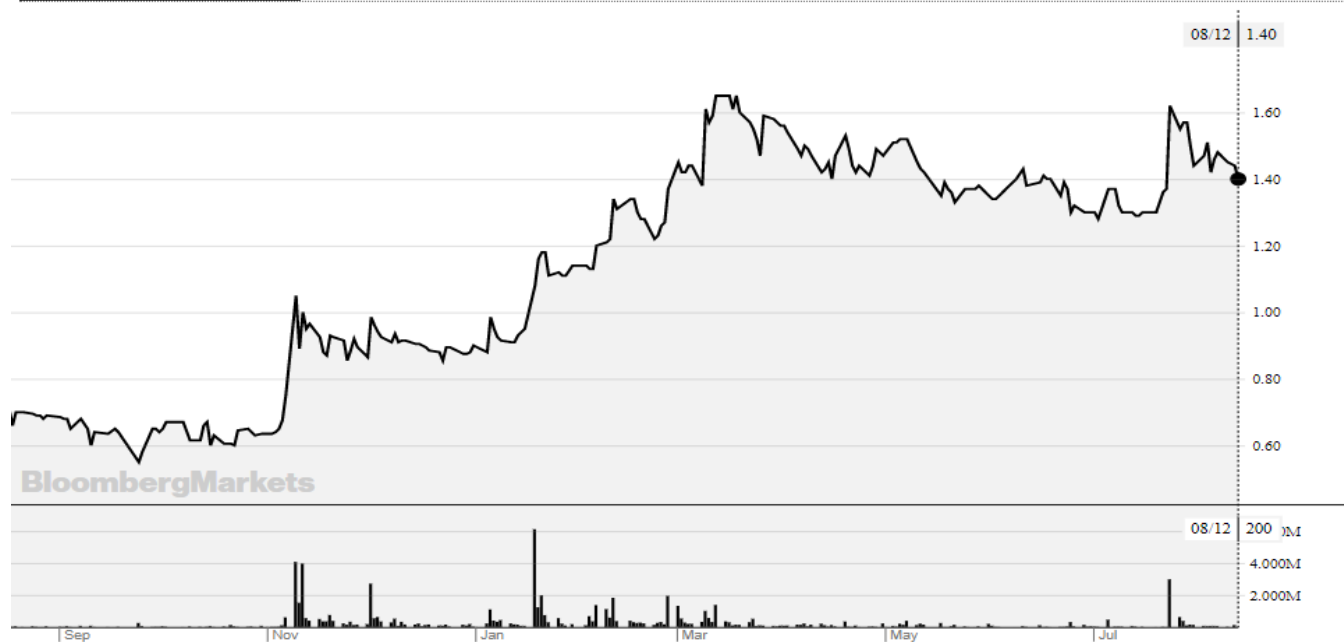
GSCB:MK Bursa Malays  
Ge-Shen Corp Bhd

**1.40** MYR

1D 1M 6M YTD **1Y** 5Y

MINIMIZE CHART

Q Add a comparison



Source: Bloomberg on 12 August 2021 (11am)

Stock Quote	GSCB:MK
Stock Number	7197
Market Cap (RM Million)	153.45
Shares Outstanding (Million)	109.61
52-Week Range (High)	1.78
52-Week Range (Low)	0.52
30-Day Average Volume	186,257

Substantial Shareholders	Interest %
CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Pelita Niagamas Sdn Bhd (PB)	36.53
Cartaban Nominees (Tempatan) Sdn Bhd Exempt An for Standard Chartered Bank Singapore Branch	18.25
AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Pelita Niagamas Sdn Bhd	8.76

Source: Annual Report 2020



**GE-SHEN**  
CORPORATION BERHAD



# THANK YOU!

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No. 1 Jalan Syed Putra,  
58000 Kuala Lumpur,  
Malaysia