



INVESTOR BRIEFING (Q4 '19 Financial Results)

TOPICS COVERED:

1. Fourth Quarter ("Q4") 2019 Financial Results

- Revenue for the year ended 31 Dec 2019 ("FYE 2019") decreased by 16.4% to RM161.4mil as compared to RM193.1mil in the preceding year due to the decline in both manufacturing and distribution divisions.
- Of the RM161.4mil, RM154.3mil was from the distribution division and RM7.1mil was from the manufacturing division.
- QoQ comparison saw a minor increase by 5.1% in the Group's revenue.
- Manufacturing division revenue decreased by 79.9% YoY, due to less deliveries of Optical Inspection System as well as some delayed deliveries of equipment at the customers' request. The manufacturing division was affected by the overall slowdown in the semiconductor industry worldwide as our manufactured products are primarily used by semiconductor companies.
- Distribution revenue dropped by 2.2% YoY mainly due to a decrease of 2.9%, 1.1% and 1.2% in product, materials and spares & services revenue respectively.
- Group GP decreased as a result from a decline of 114.8% in GP contribution from manufacturing whilst there was no major difference of GP contribution by the distribution.
- Malaysia maintains as the biggest revenue contributing country which makes up for 37.4% of the total revenue FYE 2019 and climbed by 7.7% YoY. Contribution of revenue from the ASEAN region excluding Malaysia decreased by 20.2% YoY.
- Total installed base as at FYE 2019 stood at 11,642.

Revenue (RM)

161.4 mil

▼ -16.4% YoY

Gross Profit (RM)

32.3 mil

▼ -24.2% YoY

PBT (RM)

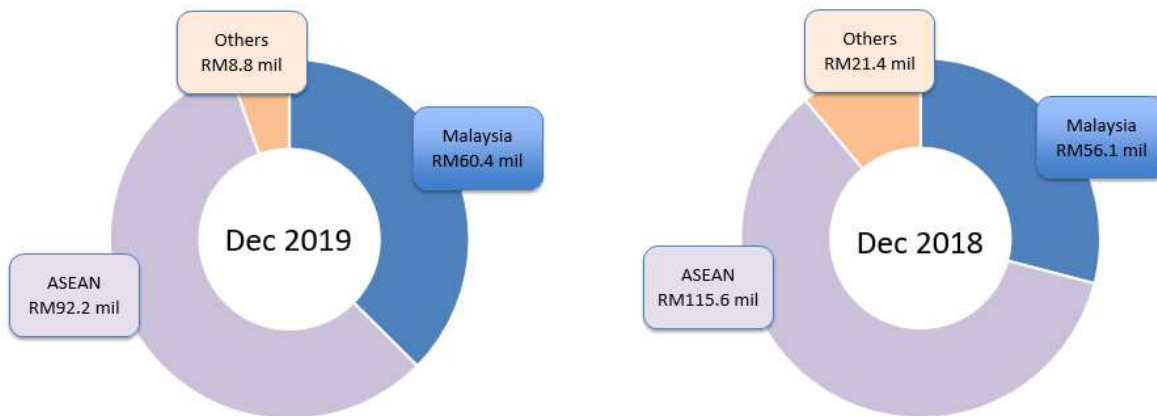
5.6 mil

▼ -69.9% YoY

PAT (RM)

3.5 mil

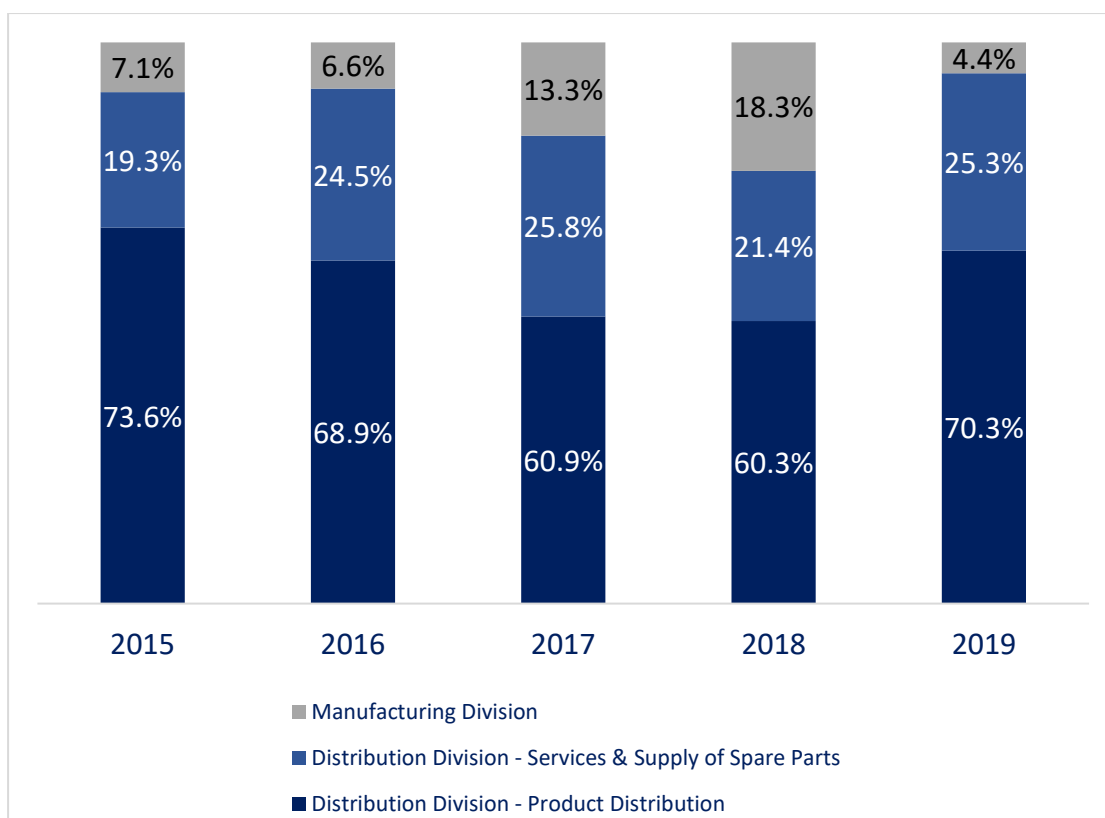
▼ -75.2% YoY



YoY Growth		
MALAYSIA	ASEAN	OTHERS
7.7%	-20.2%	-58.9%

2. Business Outlook & Prospects

- Successfully tested the Precision Tilt Sensing equipment with one of our customers. Expecting the first batch of orders between 5 to 10 systems to come in by 1H 2020.
- Expecting further delays on Post-Dicing Inspection and Post-Probing Inspection AOI series.
- Completed automated equipment such as Wafer ID, Post Die Attach AOI and Molded Strip Inspection.
- Currently affected by the Covid-19 in Q1' 2020, but expect orders to recover strongly once the situation subdues.
- Semicon China on 18th to 20th March 2020 and Semicon SEA in May 2020 has also been postponed/cancelled due to Covid-19.
- The Group has also set up a team to implement world class services to our customers. Activities for the year will include standardizing and digitalizing processes, increasing productivity to indirectly increase recurring income.
- Distribution division is also looking to increase market share across ASEAN countries and will be looking to improve results from Philippines, Vietnam and Indonesia whilst sustaining revenue for Malaysia and Thailand.
- Distribution division will also be lining up products and total solutions for semiconductor and E&E market segments in anticipation of high growth due to 5G, IoT and AI related market movement.



3. Utilisation of IPO Proceeds as at 31 Dec 2019

Purposes	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance RM'000	Deviation RM'000	Estimated timeframe for utilisation
(i) Development of 3 key products	4,850	2,776	2,074	-	Within 24 months
(ii) General working capital requirements	3,250	2,727	523	-	Within 24 months
(iii) Repayment of bank borrowings	7,000	7,000	-	-	Within 3 months
(iv) Capital expenditure	10,716	5,975	4,741	-	Within 24 months
(v) Estimated listing expenses	3,000	3,000	-	-	Within 1 month
	<u>28,816</u>	<u>21,478</u>	<u>7,338</u>	-	