



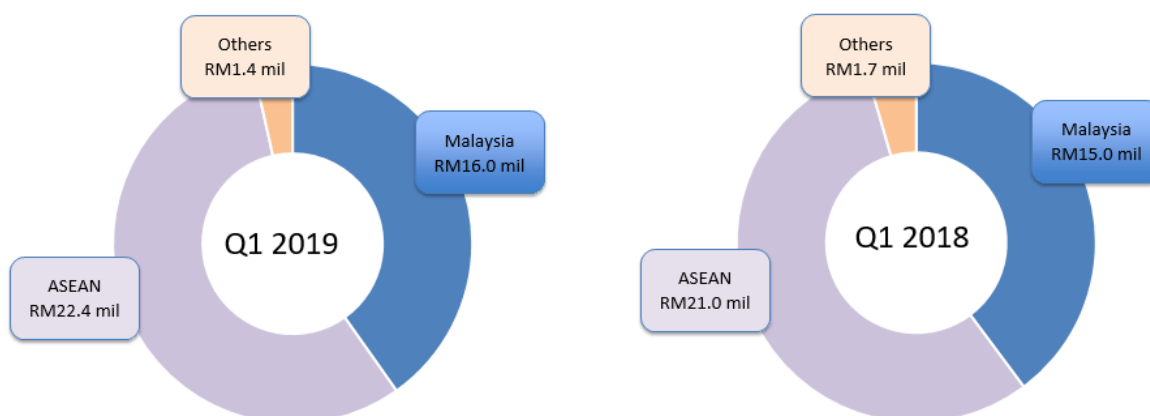
INVESTOR BRIEFING (Q1 '19 Financial Result)

TOPICS COVERED:

1. First Quarter ("Q1") 2019 Financial Results

- Revenue in Q1 for the period ended 31 March 2019 ("FPE 2019") increased by 5.8% to RM39.9mil as compared to RM37.7mil in the preceding year through a shift of higher distribution revenue to offset the decline in manufacturing revenue.
- Of the RM39.9mil, RM37.4mil was from the distribution division and RM2.5 was from the manufacturing division.
- QoQ comparison saw a decrease by 32.6% due to the softer market in FPE 2019 and more rushed deliveries in Q4 2018.
- Manufacturing which was heavily impacted from the slowdown of the semiconductor market and the on-going US-China trade war escalation, saw a decreased by 60.5% YoY and 69.5% QoQ.
- Distribution revenue increased by 18.7% YoY due to the steady recurring income from the spares & services segment. The spares & service revenue increased by 17.3% YoY and 12.4% QoQ respectively.
- Malaysia maintains as the biggest revenue contributing country which makes up for 40.2% of the total revenue. Contribution of revenue from the ASEAN region excluding Malaysia has also grown 7.0% YoY.
- Effective tax rate for Q1 stood at 35.1%

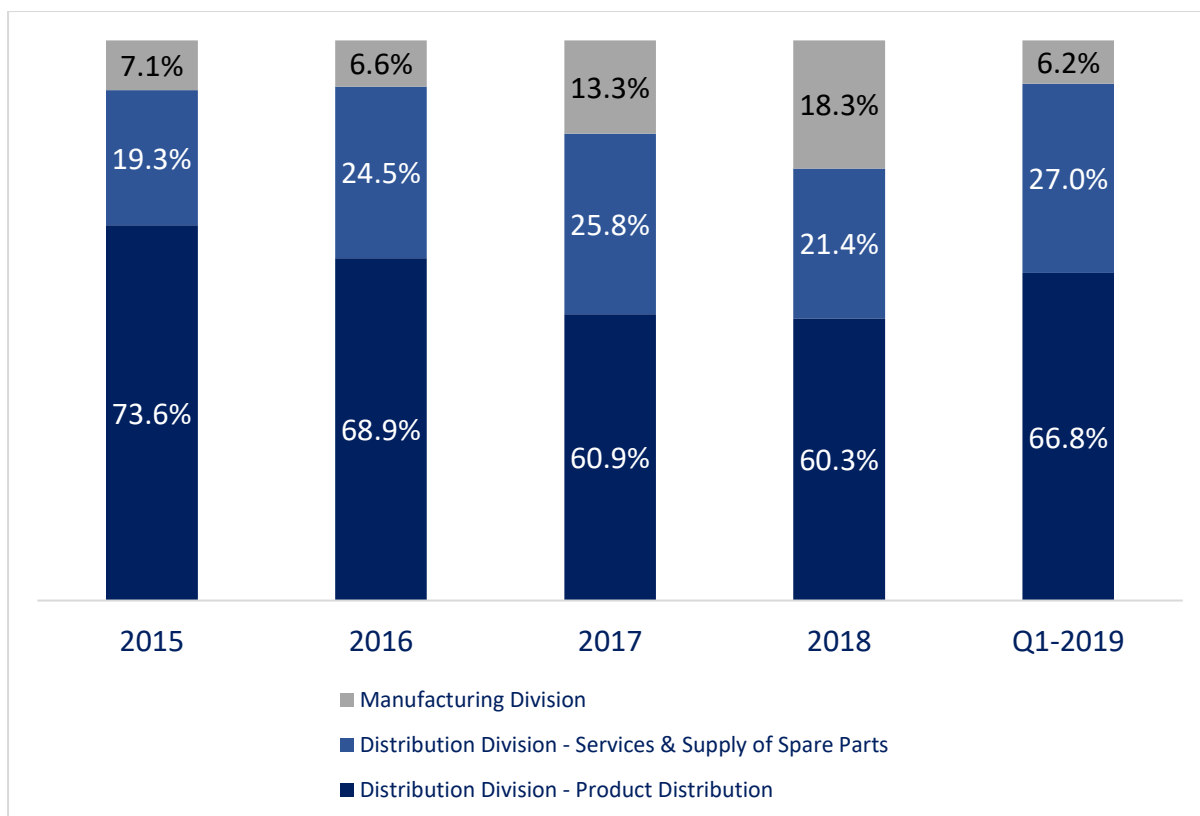
Revenue (RM)	Gross Profit (RM)	PBT (RM)	PAT (RM)
39.9 mil	9.1 mil	2.9 mil	1.9 mil
▲ 5.8% YoY	▲ 5.8% YoY	▲ 7.4% YoY	▲ 26.7% YoY



YoY Growth		
MALAYSIA	ASEAN	OTHERS
6.7%	6.7%	-17.6%

2. Business Outlook & Prospects

- Manufacturing division to focus on developing new products and improving the existing range with two models of automated optical inspection equipment slated to be launched in year 2020.
- Expanding market outside of ASEAN by appointing sales channel partners covering China, Taiwan, Europe, USA, Korean and Japan.
- QES has a good buffer from other market segments from the distribution division such as electrical & electronics and the automotive & metal industries. However, the distribution division will continue diversifying to expand to other market segments.
- Despite a softer growth in Q1 and tepid outlook of the semiconductor industry, QES remains cautiously optimistic that the remaining months will be satisfactory.



3. Utilisation of IPO Proceeds as at 31 March 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	1,555	3,295	-	Within 24 months
(ii) General working capital requirements	3,250	1,637	1,613	-	Within 24 months
(iii) Repayment of bank borrowings	7,000	7,000	-	-	Within 3 months
(iv) Capital expenditure	10,716	3,625	7,091	-	Within 24 months
(v) Estimated listing expenses	3,000	3,000	-	-	Within 1 month
	28,816	16,817	11,999	-	