

# ABOUT QES<sup>®</sup>

## Assuring You **Our Best, Always!**

QES was founded in Oct 1991. We specialise in manufacturing, distribution and provision of engineering services for inspection, test, measuring, analytical and automated handling equipment. QES Group of companies has since grown into a leading integrated solution provider with manufacturing capability.

The Group has 2 core business division:

- Distribution Division
- Manufacturing Division

Our successful ingredient is always customer driven. It is vital for us to constantly seek the best solution to suit our customers' requirements.

## FACTS



Exceed more than  
**12,000**  
equipment installed



Revenue  
**~USD 39**  
million



**350+**  
employees

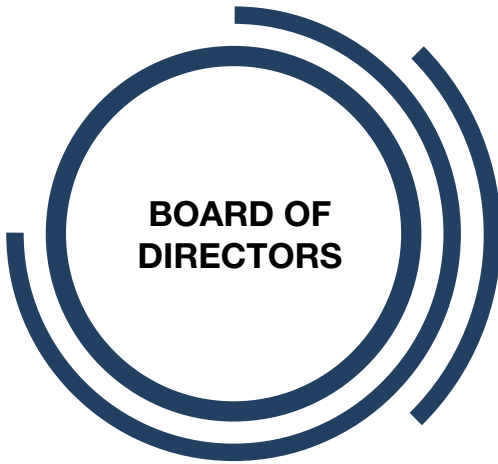


**7** countries



**29 years**  
operating

# CORPORATE INFORMATION



- ① **ADNAN BIN ZAINOL**  
Independent Non-Executive Chairman
- ② **CHEW NE WENG**  
Managing Director/President
- ③ **LIEW SOO KEANG**  
Executive Director
- ④ **CHIA GEK LIANG**  
Independent Non-Executive Director
- ⑤ **HOH CHEE MUN**  
Independent Non-Executive Director
- ⑥ **MAZNIDA BINTI MOKHTAR**  
Independent Non-Executive Director

## COMPANY SECRETARY

Andrea Huong Jia Mei (MIA 36347)

## REGISTERED OFFICE

Lot 4.100, 4th Floor, Wisma Central  
Jalan Ampang  
50450 Kuala Lumpur

Telephone number: 03-2161 9753  
Facsimile number: 03-2161 8895

## SHARE REGISTRAR

Mega Corporate Services Sdn Bhd  
Level 15-2, Faber Imperial Court  
Jalan Sultan Ismail  
50250 Kuala Lumpur

Telephone number: 03-2692 4271  
Facsimile number: 03-2732 5388

## PRINCIPAL BANKERS

HSBC Bank Malaysia Berhad  
RHB Bank Berhad  
United Overseas Bank (M) Berhad

## STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia  
Securities Berhad

Stock Name : QES  
Stock Code : 0196

## AUDIT COMMITTEE

Hoh Chee Mun (Chairman)  
Adnan Bin Zainol  
Chia Gek Liang  
Maznida Binti Mokhtar

## NOMINATION COMMITTEE

Chia Gek Liang (Chairman)  
Adnan Bin Zainol  
Hoh Chee Mun

## REMUNERATION COMMITTEE

Chia Gek Liang (Chairman)  
Adnan Bin Zainol  
Chew Ne Weng  
Hoh Chee Mun

## HEAD OFFICE

No 9, Jalan Juruukur U1/19  
Hicom Glenmarie Industrial Park,  
Seksyen U1  
40150 Shah Alam  
Selangor Darul Ehsan

Telephone number: 03-5882 6668  
Facsimile number: 03-5567 0811

## AUDITORS

Moore Stephens Associates PLT  
Unit 3.3A, 3rd Floor, Surian Tower  
No 1, Jalan PJU 7/3,  
Mutiarra Damansara  
47810 Petaling Jaya  
Selangor Darul Ehsan

Telephone number: 03-7728 1800  
Facsimile number: 03-7733 1033

## SPONSOR

M&A Securities Sdn Bhd  
Level 11, No. 45 & 47, The  
Boulevard  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur

Telephone number: 03-2284 2911  
Facsimile number: 03-2284 2718

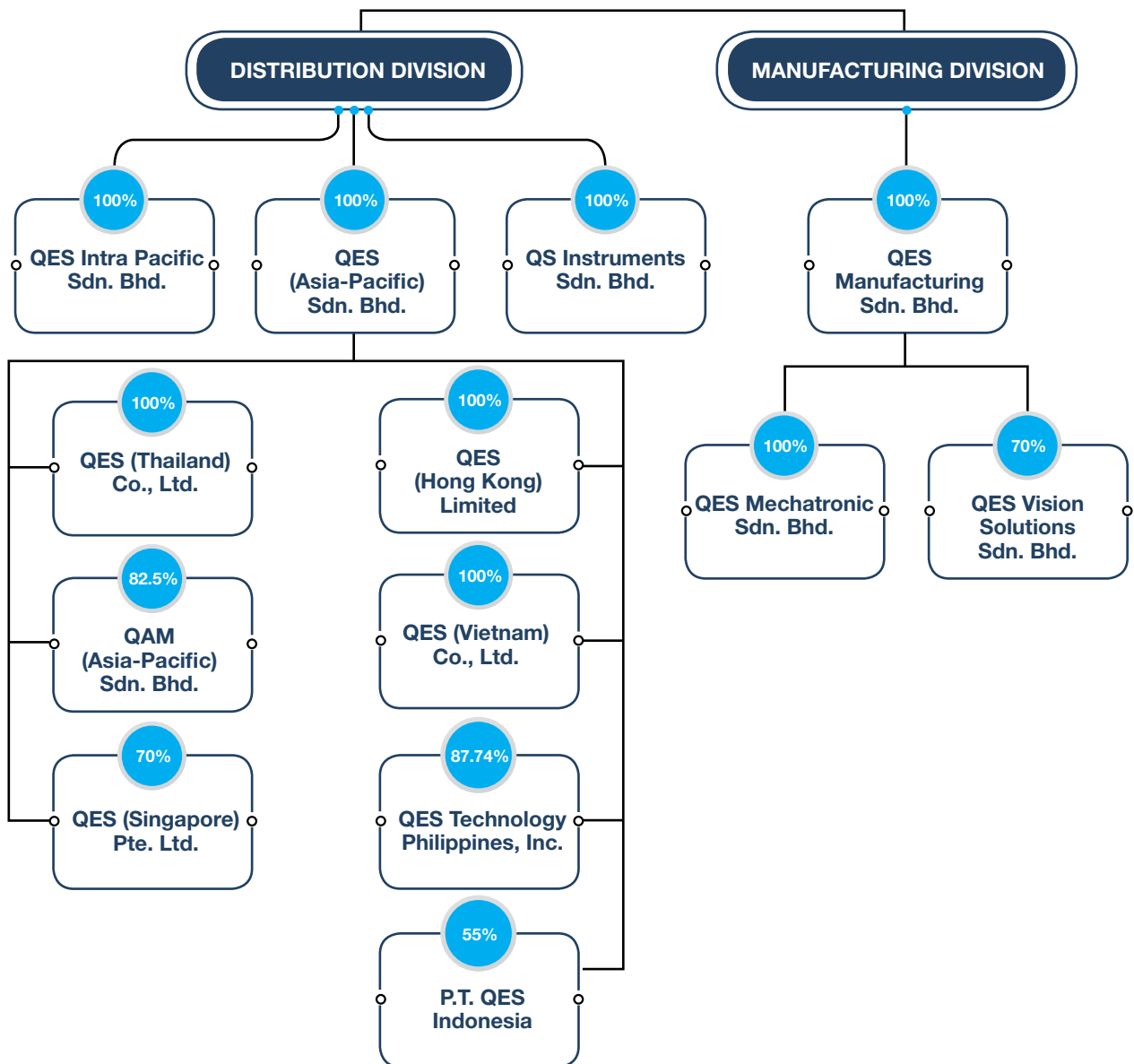
## CORPORATE WEBSITE

[www.qesnet.com](http://www.qesnet.com)

# CORPORATE STRUCTURE



**QES GROUP BERHAD**  
["Group" or "QES"] as at 31 December 2020  
Incorporation & Subsidiaries



- The Group was incorporated in Malaysia under the Companies Act 1965 on 20 November 2014 as a public limited company under its present name and was listed on the ACE Market of Bursa Malaysia Securities Berhad in 2018. QES Group Berhad is principally an investment holding company.

# CORPORATE MILESTONES

QES Malaysia was founded on the 4<sup>th</sup> October 1991

## OCT 1991

QES Malaysia was founded on the 4<sup>th</sup> Oct 1991

## SEP 1992

Expanded to Singapore via QES (Singapore) Pte. Ltd.

## May 1994

Moved into new two-storey building in USJ 9, UEP, Subang Jaya

## OCT 1994

Expanded to Thailand via QES (Thailand) Co.,Ltd

## MAY 1996

Expanded to Philippines via QES (Manila), Inc.

## DEC 1996

New subsidiaries QES (Kuala Lumpur) Sdn. Bhd. & QES (Penang) Sdn. Bhd were setup

## JAN 1997

QES (Asia-Pacific) Sdn. Bhd was made Corporate HQ

## APR 1997

Moved into new three-storey Corporate HQ building in USJ9, UEP, Subang Jaya

## OCT 2000

QAM (Asia-Pacific) Sdn. Bhd. was set up to diversify into material business of semiconductor test & assembly

## JUN 2001

Creden Intra Pacific Sdn. Bhd. was set up to diversify into material business of semiconductor wafer fabrication

## DEC 2001

Invested in Creden (Asia-Pacific) Sdn. Bhd. to diversify into manufacturing and trading of industrial equipment and systems

## MAR 2002

Expanded to China through QES (Singapore) Pte Ltd representative's office in China

## DEC 2003

QS Instruments Sdn. Bhd. was set up to focus on scientific analytical instruments

## APR 2005

Expanded to Chengdu, China via QES China

## DEC 2006

Set up subsidiary, P.T. QES Indonesia with main office in Jakarta to cover the Indonesia market

## MAY 2007

Set up subsidiary, QES (Vietnam) Co. Ltd. with offices in Ho Chi Minh City & Hanoi to cover the Vietnam market

## MAR 2021

Implementation of Oracle Netsuite ERP System within QES Manufacturing Division

## MAR 2021

QES (Asia-Pacific) Sdn. Bhd gained QMS ISO 9001:2015 recognition for Sales & Service Operations

## JAN 2021

QES acquired new Corporate HQ & manufacturing facility in Glenmarie, Shah Alam

## MAY 2020

Implementation of Oracle Netsuite ERP System within QES Distribution Division

## APR 2018

Incorporation of QES Vision Solutions Sdn. Bhd. to diversify into providing vision software solution for automated equipment

## MAR 2018

QES Group listed on the ACE Market on 8th March 2018

## DEC 2016

QES (Singapore) Pte. Ltd. & QES (Thailand) Co., Ltd. Becomes subsidiaries of QES Group

## FEB 2015

Official Launch of new QES Logo

## AUG 2014

Creden Intra Pacific Sdn. Bhd. gained QMS ISO 9001:2015 recognition for their Service Operation

## AUG 2014

Implementation of Business Fulfilment System within QES Group

## JUN 2013

Official launch of SPECTRO SEA Centre of Excellence

## DEC 2012

Moved QES Corporate HQ office & factory into three-storey building at Glenmarie, Shah Alam

## MAY 2008

Expanded coverage to Clark, Philippines via QES (Manila), Inc.

## MAY 2007

Creden Mechatronic Sdn. Bhd. gained QMS ISO 9001:2000 recognition

# PROFILE OF DIRECTORS



## Adnan Bin Zainol

Independent Non-Executive Chairman  
Malaysian | Male | 68

**Appointed to our Board:** 11 May 2015  
**Meeting Attendance:** 5/6 (83%)

**Qualification(s):**

- Bachelor of Economics in 1978, University Malaya.

**Relevant Working Experience:**

- Accumulated over 20 years of working experience in the banking industry.
- He started his career in 1978 serving various positions in Malayan Banking Berhad and CIMB Investment Bank Berhad until his retirement in 2004. From 2004 to 2007, he did general management consulting work on a freelance basis, assisting organisations in fundraising as well as to improve their cash flow management.

**Member of the Remuneration, Nomination and Audit Committees.**

**Present Directorship(s) with Other Public Listed Companies:**

- Independent Non-Executive Director of Orion Group Berhad



## Chew Ne Weng

Managing Director/President  
Malaysian | Male | 58 | Co-founder

**Appointed to our Board:** 11 May 2015  
**Meeting Attendance:** 6/6 (100%)

**Qualification(s):**

- Bachelor of Mechanical Engineering in 1987, National University of Singapore

**Relevant Working Experience:**

- Accumulated over 30 years of experience within the engineering industry.
- He started his career in 1987 as an Engineer at Cairnhill Precision Private Limited, Singapore and Co-founded QES Group on 4 October 1991
- As Managing Director/President, he is responsible for the overall strategic direction and management of the Company and its subsidiaries ("the Group") such as the implementation of policies on technical and financial operations, business plans for operating units as well as the execution of quality management system.

**Member of the Remuneration Committee**



## Liew Soo Keang

Executive Director  
Malaysian | Male | 59

**Appointed to our Board:** 11 May 2015  
**Meeting Attendance:** 6/6 (100%)

**Qualification(s):**

- Bachelor of Electrical Engineering (Honours) (First Class) from University Malaya in 1987.

**Relevant Working Experience:**

- Accumulated over 30 years of experience in the engineering industry.
- He began his career in 1987 with Intel Technology Sdn. Bhd. where he was tasked with various roles including semiconductor test equipment maintenance, services and overseeing testing operations.
- He joined QES (Penang) Sdn. Bhd. in 1997 as Operations Director. He was responsible mainly for the business development activities in the northern region of Peninsular Malaysia before assuming a wider regional portfolio in 2000 when he was appointed to the board of directors of QES (Asia-Pacific) Sdn. Bhd.

## Profile of Directors (Cont'd)



### Chia Gek Liang

Independent Non-Executive Director  
Malaysian | Male | 59

**Appointed to our Board:** 11 May 2015

**Meeting Attendance:** 6/6 (100%)

**Qualification(s):**

- Bachelor of Electrical Engineering and a Master of Business Administration from the National University of Singapore, in 1985 and 1993.
- Bachelor of Laws Hons (2nd Upper) from the University of London in 2010.
- Obtained his Certificate in Legal Practice in 2011 and was admitted as Advocate & Solicitor of the High Court of Malaya in 2012.

**Relevant Working Experience:**

- He began his career in 1985 in the engineering industry with SGS-Thomson Microelectronics Pte. Ltd. in Singapore for 6 years.
- In 1992, he joined CIMB Investment Bank Berhad in the corporate finance division. During his 9 years tenure in investment banking he was involved in a wide variety of assignments which include initial public offerings, debt and equity funding raising, mergers and acquisitions, reverse take-over, corporate and debt restructuring and privatisation exercises.
- In 2013, he started practising law as an Associate where he was primarily involved in providing corporate legal services.
- Since January 2019, he has resumed doing general consulting works.

**Chairman of the Remuneration and Nomination Committees - Member of the Audit Committee.**



### Hoh Chee Mun

Independent Non-Executive Director  
Malaysian | Male | 56

**Appointed to our Board:** 11 May 2015

**Meeting Attendance:** 5/6 (83%)

**Qualification(s):**

- Certified Public Accountants, Malaysian Institute of Certified Public Accountant ("MICPA"), in 1993.
- Admitted as a Certified Public Accountant of MICPA on 29 January 1994.
- Admitted as a Chartered Accountant of Malaysia Institute of Accountants ("MIA") on 24 October 1994.

**Relevant Working Experience:**

- Commenced his accountancy career in 1985 with BDO and furthered his career with Ernst & Young in 1990.
- In 1996, he joined Fella Design Group of Companies as the Group Accountant, overseeing the accounts, finance, internal audit, human resources, and information technology.
- In 2005, he became the Finance Director of VHQ Group of Companies, overseeing the accounts, finance and corporate secretarial matters in Malaysia, Singapore, Indonesia, Thailand, Vietnam, and China.
- From 2012 to 2017, he provided general management consultancy and GST services.
- Since 2017, he was appointed as the Financial Controller of Straits Inter Logistics Berhad.

**Chairman of the Audit Committee - Member of the Remuneration and Nomination Committees.**

## Profile of Directors (Cont'd)



**Maznida Binti Mokhtar**

Independent Non-Executive Director  
Malaysian | Female | 54

**Appointed to our Board:** 1 August 2019  
**Meeting Attendance:** 6/6 (100%)

**Qualification(s):**

- Bachelor of Science in Economics (Honours) from London School of Economics and Political Science in 1990.
- She completed her professional articleship as a Chartered Accountant at Ernst & Young in London in 1993.
- She is currently a member of the Institute of Chartered Accountants of England and Wales, and the MIA.

**Relevant Working Experience:**

- She started her career at AmMerchant Bank Berhad in the Privatisation and Project Advisory Unit in 1994.
- In 1997, she co-founded Skali Group of Companies and was the Chief Financial Officer for 23 years. She and the management team provided the strategic direction and led the operations of the Group.
- She has accumulated over 25 years of working experience in the accounting firm, merchant banking industry and the IT industry.

**Member of the Audit Committee.**

**Notes:**

1. All the Directors above have no family relationship with any Directors and/or major shareholders of the Group and have never been charged for any offence against the law other than traffic offences (if any) within the past five (5) years.
2. None of the Directors have any conflict of interest with the Company.
3. Other than En. Adnan Bin Zainol, all the Directors of QES Group Berhad does not hold directorship in any other public listed companies as at 31st December 2020.

# PROFILE OF KEY MANAGEMENT



## Lee Hock Chin

Vice President of Distribution Division  
Malaysian | Male | 47

- Responsible for all regional sales, marketing and technical support activities.
- Appointed since 1 January 2011

### Qualification(s):

- Diploma in Technology (Electronic Engineering) in 1978, Tunku Abdul Rahman College

### Relevant Working Experience:

- Accumulated more than 20 years of experience in the test and measurement equipment industry.
- Over 20 years in QES where he was responsible for the after-sales technical support services, sales and marketing activities within the Business Unit of QS Instruments Sdn.Bhd.



## Lim Chee Keong

Vice President of Manufacturing Division  
Malaysian | Male | 54

- Responsible for overseeing the overall sales and marketing, production planning, equipment engineering, precision part machining operation, equipment assembly and supply chain management operations of the Manufacturing Division.
- Appointed since 1 January 2009

### Qualification(s):

- Diploma in Computer Studies in 1993, Informatics Institute, Penang.

### Relevant Working Experience:

- More than 30 years of engineering and sales experiences.
- Joined QES in 1994 and has since been in charge of technical support operations, managing the technical and service department, overall management of the operations.



## Chin Guat Eem

General Manager of Human  
Resources & Admin  
Malaysian | Female | 54

- Responsible for overseeing the overall human resource and administration functions of our Group which include human resource planning, recruitment, payroll management and supply chain management.
- Appointed since 16 April 2005

### Qualification(s):

- Diploma in Purchasing and Materials Management in 2001, Malaysian Institute of Purchasing and Materials Management.
- Foundation studies for Graduate Diploma in Purchasing and Supply Programme in 2001, Chartered Institute of Purchasing and Supply, United Kingdom.

### Relevant Working Experience:

- Began her career in 1989 and since joining QES in 1992, she has accumulated over 30 years of experience in various roles ranging from office management, procurement, logistics, warehouse and management of human capital.



## Profile of Key Management (Cont'd)



### Yeoh Cheong Yeow

General Manager of Finance  
Malaysian | Male | 52

- Responsible for our Group's overall finance functions including the monitoring of business performance and results, profitability and cash flow, financial reporting, treasury management and tax compliance.
- Appointed since 1 September 2004

#### Qualification(s):

- Diploma in Commerce (Financial Accounting) in 1993, Tunku Abdul Rahman College.
- Diploma in Investment Analysis in 1996, Research Institute of Investment Analysts Malaysia.
- Fellow member of the Association of Chartered Certified Accountants, United Kingdom and a Chartered Accountant of the Malaysian Institute of Accountants.

#### Relevant Working Experience:

- More than 25 years of experience in accounting and finance functions.
- He began his career in 1993 as an auditor and subsequently held various finance and accounting roles prior to joining QES in 2004 assuming his present role.

#### Notes:

1. All the Key Management above have no family relationship with any Directors or major shareholders of the Group and have never been charged for any offence against the law other than traffic offences (if any) within the past five (5) years.
2. All the Key Management above does not hold directorship in any other public listed companies and has no conflict of interest with the Company.



# LETTER TO SHAREHOLDERS



## Dear Shareholders,

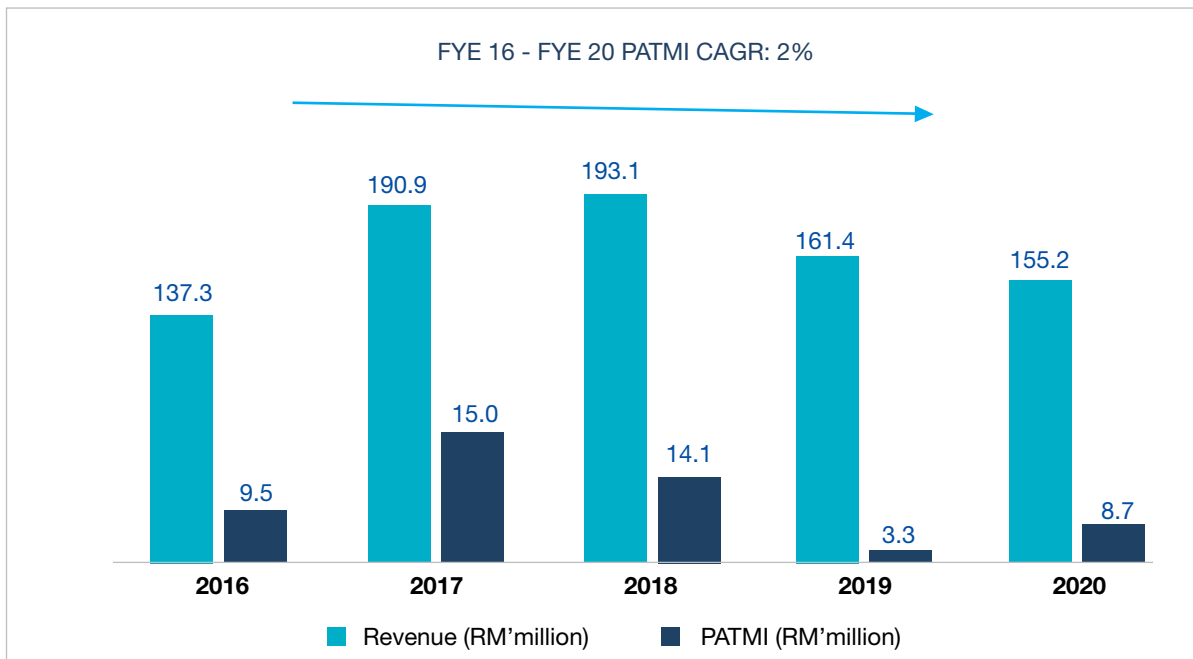
2020 has been an unprecedented year which saw almost 116 million people around the world infected with the COVID-19 virus. COVID-19 was not only a global pandemic and a public health crisis, it also severely affected the global economy, financial markets, and caused major disruptions in the transportation, service, and the supply chain for many industries. Despite that, amid the shadow of the pandemic, the Group managed to record a profit for the FYE 2020. On behalf of the Board of Directors (“Board”), we are pleased to present the Annual Report and the Financial Statements of the Group for FYE 2020.

### FINANCIAL PERFORMANCE

#### (i) Analysis of financial results

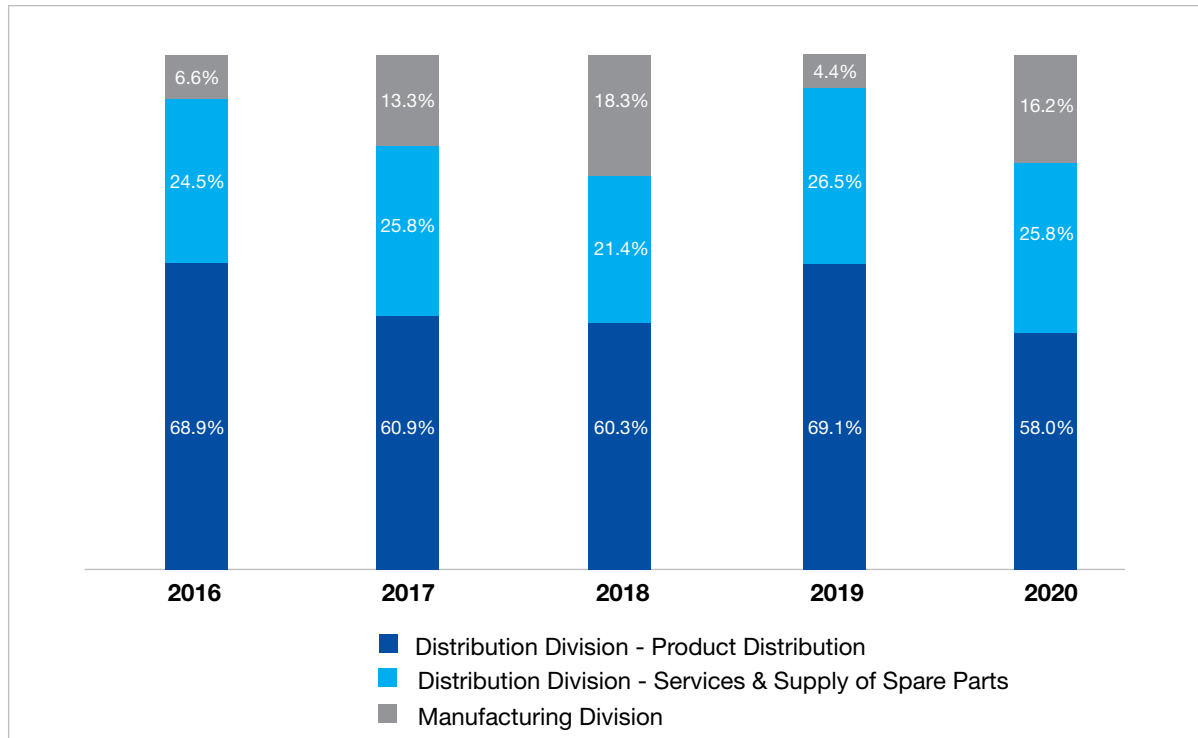
The Group ended the financial year with RM155.2million in revenue and RM8.7 million in profit after tax attributable to the owners of the company (“PATMI”). Revenue declined by RM6.2 million from RM161.4 million while our PATMI increased by RM5.4 million from RM3.3 million as compared to FYE 2019. The decrease in revenue but increase in PATMI year-on-year (“YoY”) were mainly attributed by a minor drop in sales from the Distribution Division whereas there was a significant increase in sales generated from the Manufacturing Division, which performed well due to the uptick in the semiconductor industry. The primary reason for the increased in PATMI despite a decrease in revenue is attributable to the increased in sales by the Manufacturing Division which generates a higher profit margin.

#### Revenue & PATMI



## Letter to Shareholders (Cont'd)

### Manufacturing & Distribution Division Revenue Breakdown



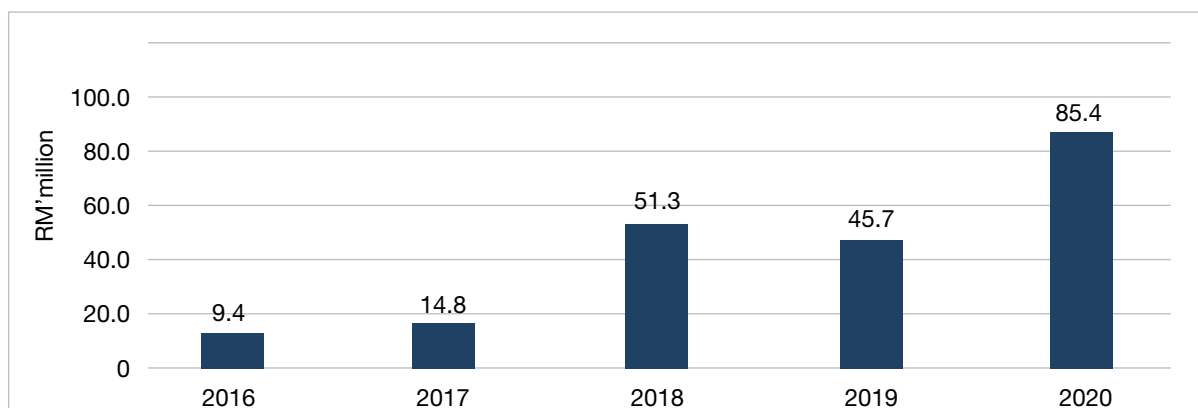
#### (ii) Recovery in the Manufacturing Division

During FYE 2020, revenue attributable to the Manufacturing Division had increased by approximately RM18.0 million, marking an increase of approximately 253.5% on year-on-year growth compared to FYE 2019. Contributions from the Manufacturing Division shows an increasing rising trend in the semiconductor industry which bodes well and in line with the Group's strategic direction to expand the Manufacturing Division in the future.

#### (iii) Maintaining a strong balance sheet

As at 31st December 2020, the Group has cash and cash equivalents of RM85.4 million. In view of the continued downcast economic climate in FY 2021 due to the slow resolve of the COVID-19 pandemic, the Group is committed to optimise usage of our cash reserves over the next 12 months, in ensuring the sustainability of the Group.

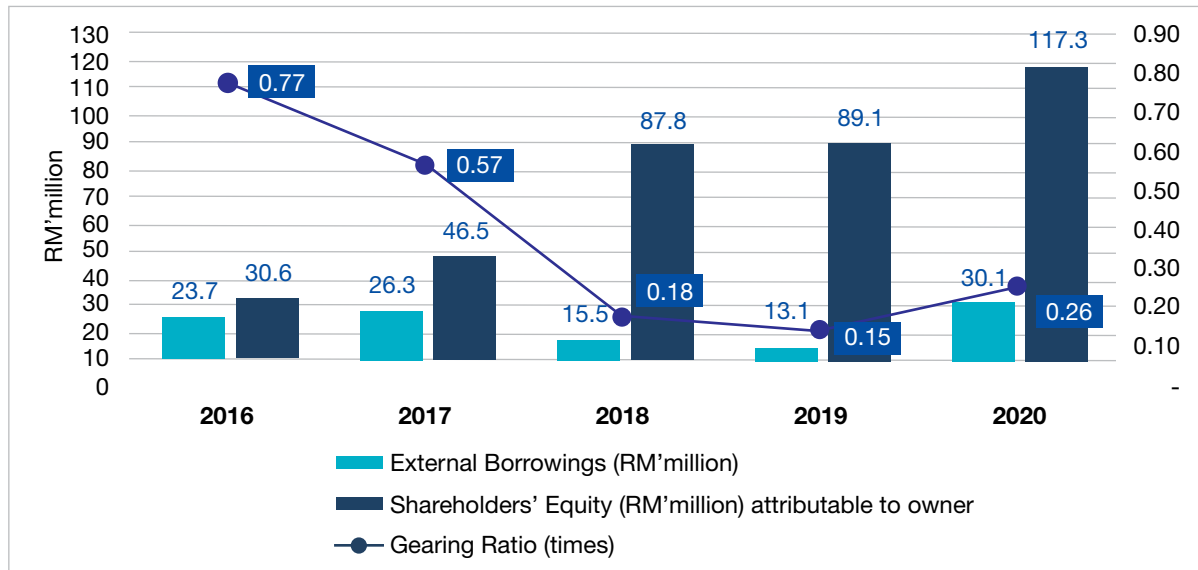
### Cash & Cash Equivalents Trend



## Letter to Shareholders (Cont'd)

### (iv) Shareholders' equity growth

Our shareholders' equity increased from RM89.1 million in FYE 2019 to RM117.3 million mainly due to the proceeds from the issuance of new shares of RM19.6 million in respect of our private placement in October 2020 and higher PATMI of RM8.7 million generated in FYE 2020. Gearing ratio increased from 0.15 times in FYE 2019 to 0.26 times in FYE 2020 mainly from the new term loan obtained to finance the new property that the Group acquired. Current ratio had improved from 2.31 times in FYE 2019 to 3.28 times in FYE 2020.



## BUSINESS SUSTAINABILITY AND DEVELOPMENT

### (i) Corporate Highlights

During FYE 2020, the Group has successfully implemented the Oracle NetSuite as our digitalisation project partner. With this successful implementation, we can have a more efficient operations as information can be retrieved on a real time basis for us to make quick and informed decisions. With this investment, we aspire to meet our customers' requirements and expectations in terms of quality of services, speed, and excellence.

The Group had also successfully acquired on 4th January 2021, via its wholly owned subsidiary, QES (Asia-Pacific) Sdn Bhd ("QAP") a freehold Five (5) Storey detached factory erected on land held under Individual Title H.S.(D) 225962, PT No. 114, Bandar Glenmarie, Daerah Petaling, Negeri Selangor and measuring approximately 5,833 square metre in size at the price of RM 21,000,000. This acquisition will expand the physical operating space to support the future growth and expansion plans for the Manufacturing and Distribution Division.

On 1st January 2021, QAP was appointed as Nikon Corporation's authorised distributor and will be responsible for managing the marketing, sales and aftersales services of Nikon Corporation's industrial metrology products in Malaysia

### (ii) People Development

QES has always been a people centric company. As cliché as it sounds, our employees are our most treasured assets. We see human capital as a vital engine to accelerate our pace in becoming a cutting-edge solutions provider for the market segments that we operate in. Hence, even during the troubling times in FYE 2020 due to the COVID-19 pandemic, the Group continued to pay all its employees full salaries and bonuses without cutting any jobs.

## Letter to Shareholders (Cont'd)

### (iii) Manufacturing product development

For FY 2021, utilising the proceeds raised from our private placement of new shares in FYE 2020, our Manufacturing Division is expected to double its capacity in the new factory as well as to develop new products. Our Manufacturing Division will be expanding their products and solutions such as contactless warehouse management system, production electronic travelling system and vending bunny suit system, which will capitalise on the semiconductor growth and Industry 4.0 related projects.

### (iv) Factors affecting business

As the vaccination for COVID-19 are beginning to roll out worldwide, the Group anticipates a positive shift to a recovery in the economy. We remain hopeful that our customers will embark on capital expenditure spending in FY 2021 due to the semiconductor industry growth and with our strong cash balance sheet, we are well positioned to strategize and capitalize on this recovery.

## MARKET OUTLOOK AND FUTURE PROSPECT

The economic recovery is expected to be gradual and uneven amid the pandemic containment measures pending the ongoing rollout of COVID-19 vaccines. While there are expected challenges given the tentative operating landscape, the Group remains focus on driving productivity by utilizing digitalization as much as we can and managing cost in line with the revenue growth. The Group's long-term business objectives are to generate sustainable earnings supported by positive cash flows, maintain a positive and healthy financial position.

## ACKNOWLEDGEMENTS

On behalf of the Board of Directors, we would like to express our sincere appreciation and gratitude to our shareholders, the management and employees, for their dedicated work, commitment and loyalty. Finally, we would like to express our sincere gratitude to all our customers, suppliers, business associates, vendors, bankers and regulatory authorities for their continuous support and trust in QES.

Rest assured, we will continue to work together and forge ahead to achieve the highest growth and success for QES.

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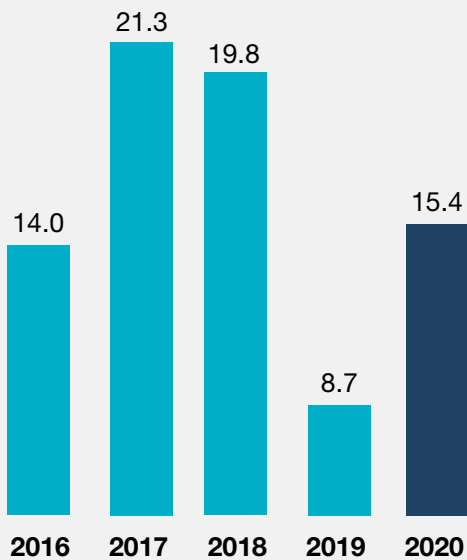
Adnan Bin Zainol  
Independent Non-Executive Chairman

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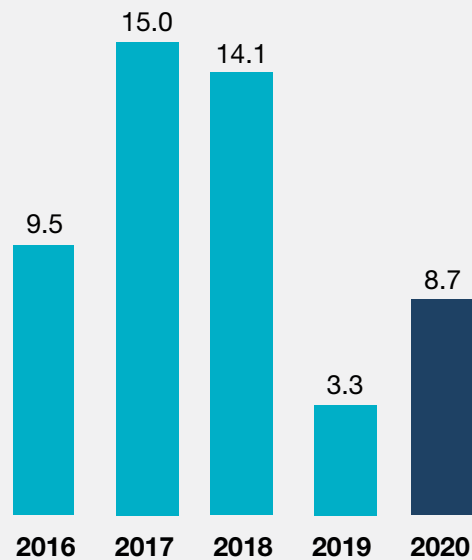
Chew Ne Weng  
Managing Director/President

# GROUP FINANCIAL HIGHLIGHTS

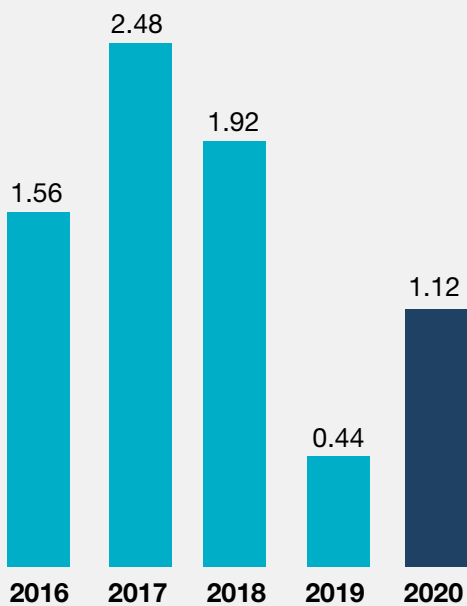
**Earnings before Interest, Taxes, Depreciation  
and Amortisation  
(RM'million)**



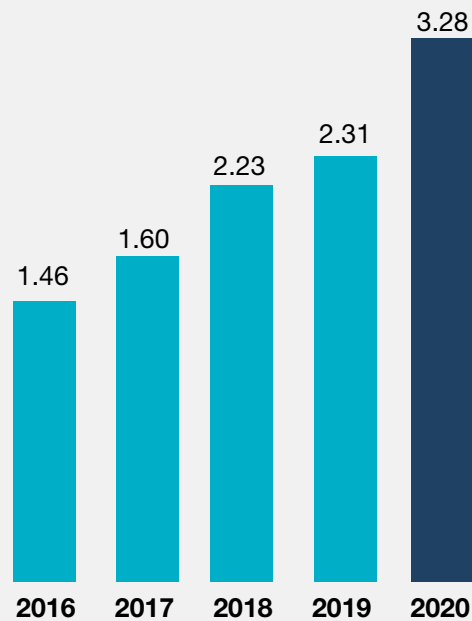
**Profit attributable to Owners of the Company  
(RM'million)**



**Basic Earnings per Share  
(sen)**



**Current Ratio  
(times)**



# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL PERFORMANCE REVIEW

### Revenue and gross profit

The Group recorded a lower revenue of RM155.2 million in FYE 2020, a decrease of RM6.2 million or 3.8% as compared to FYE 2019. The decline of revenue was mainly due to a drop in sales generated from the Distribution Division by RM24.2 million notwithstanding an increase of revenue from the Manufacturing Division of RM18.0 million.

The Group recorded a higher gross profit ("GP") of RM36.2 million, a 12.1% increase over last year's RM32.3 million primarily due to higher GP contribution by the Manufacturing Division, in tandem with its increase in revenue. Overall GP margin for the current financial year stood at 23.3% as compared to 20.0% in FYE 2019.

Geographically, Malaysia remains as the biggest revenue contributing country, at approximately 36.3% of our total revenue in FYE 2020. 53.3% of our revenue is derived from other ASEAN countries, and the remaining 10.4% is contributed by other countries. Despite the various versions of governmental lockdowns due to the COVID-19 pandemic which affected most of our ASEAN operations, Malaysia, Singapore and Vietnam still saw growth whereas countries like Indonesia and Philippines managed to break-even. This well-balanced geographical composition shows the Group's diversity and strength of our core businesses in which there is no heavy reliance on a single country to drive the continuous growth of the Group.

### Operating expenses

Administrative expenses decreased to RM15.0 million in FYE 2020 from RM15.8 million in FYE 2019 due to cost saving measures and a decrease from travelling expenses due to the COVID-19 pandemic.

Marketing and distribution cost decreased marginally to RM7.1 million from RM7.3 million as the Management had postponed all corporate exhibitions and events due to the COVID-19 pandemic despite an increased in performance bonuses and incentives.

Other operating expenses increased marginally to 3.2% of our revenue in FYE 2020 compared to 3.1% in FYE 2019 on account of loss allowance in trade receivables and inventories written down as well as higher amortisation of intangible assets, bad debts written off and unrealised loss on foreign exchange. This is despite the reduction in inventories written off in FYE 2020.

The Group's finance costs decreased to RM0.7 million from RM0.9 million mainly attributable to the reduction in interest from short term bank borrowings.

### Profit

The Group's profit before tax ("PBT") increased by 108.9% to RM11.7 million in FYE 2020 from RM5.6 million in FYE 2019 mainly due to higher revenue and gross profit margin generated by the Manufacturing Division. Profit after tax further increased by 148.6% to RM8.7 million in FYE 2020 from RM3.5 million in FYE 2019 in line with higher PBT.

The Group's effective tax rate in FYE 2020 was 26.1% which is lower compared to 38.3% in FYE 2019 but higher compared to the statutory income tax rate of 24.0% mainly due to adjustments on certain non-deductible expenses notwithstanding the adjustment for non-taxable and tax exempted income in place.

## FINANCIAL POSITIONS REVIEW

### Non-current assets

The Group's total non-current assets decreased by RM1.0 million, mainly due to the disposal of demonstration equipment amounting to RM0.8 million at net book value and total depreciation of RM2.1 million and RM1.5 million charged for property, plant and equipment ("PPE") and right-of-use ("ROU") asset respectively during FYE 2020. This is partially offset with the increase from purchase of demonstration equipment and other office equipment and fittings of RM3.4 million and additional recognition of ROU asset of RM0.4 million. Despite the amortisation of RM0.4 million of intangible assets, the overall total intangible assets registered an increase due to an additional RM0.7 million cost for future product development incurred and capitalized by Manufacturing Division. Deferred tax assets ("DTA") decreased by RM0.5 million mainly due to the reversal of recognition of tax losses from the Manufacturing Division from last financial year. DTA is recognised as the Group considers it probable that future taxable profits will be available against which it can be utilised.

### Current assets

Total current assets for FYE 2020 stood at RM168.0 million, an increase by RM42.1 million mainly attributable to an increase in cash and bank balances of RM22.8 million, short-term investments of RM16.0 million and also fixed deposits with financial institutions of RM0.4 million. The increase is mainly due to cash flow generated from the issuance of new share and the drawdown of term loan in FYE 2020. Trade receivables and other receivables increased by RM1.1 million and RM3.5 million respectively as a result from the higher deposit paid and prepayments in relation to the new property that the Group acquired. The increase was partially offset by the decrease in inventories and tax recoverable of RM1.3 million and RM0.3 million respectively.

## Management Discussion and Analysis (Cont'd)

### Current and non-current liabilities

The Group's non-current liabilities increased by RM16.1 million in FYE 2020. This is mainly due to an increase in non-current borrowings from the drawdown of term loan of RM17.3 million. Total current liabilities decreased by RM3.3 million in FYE 2020, mainly attributable to the decrease in trade payables of RM8.4 million as a result of decrease in trade purchase. This is notwithstanding the increase in other payables by RM2.6 million due to higher accrued expenses and contract liabilities of RM2.3 million from deposit received from customers.

### Gearing ratios

In spite of our increase in shareholders' equity from the issuance of new shares and higher PATMI during FYE 2020, our gearing ratio increased from 0.15 times in FYE 2019 to 0.26 times in FYE 2020 mainly due to the new term loan secured to finance the new property that the Group acquired.

### LIQUIDITY AND CAPITAL RESERVES

The net cash inflow of the Group for FYE 2020 was RM39.8 million. This can be accounted by:-

- a) Cash inflow of RM5.2 million from operating activities;
- b) Cash inflow of RM17.9 million from investing activities; and
- c) Cash inflow of RM16.7 million for financing activities.

Cash inflow of RM5.2 million was mainly attributable to favourable outcome from operating activities in place during the year.

Cash inflow of RM17.9 million from investing activities was mainly attributable to the proceeds from the issuance of new share of RM19.6 million in October 2020, disposal of PPE of RM1.8 million and interest on income received amounting to RM1.0 million. This is mitigated by the acquisition of PPE of RM3.4 million and addition in intangible assets of RM0.7 million.

The drawdown of term loan of RM17.9 million despite repayment of lease liabilities of RM1.3 million constituted the main cash inflow of RM16.7 million for financing activities.

As at 31 December 2020, the Group's cash and cash equivalents stood at RM85.4 million.

### Operational and Financial Risks

#### Operational Risks

During FYE 2020, the Group has successfully implemented the Oracle NetSuite as our digitalisation project partner. With this successful implementation, we can run a more efficient operation as information can be retrieved on a real time basis for us to make quick and informed decisions. With this investment, we aspire to meet our customers' requirements and expectations in terms of quality of services, speed, and excellence. Our ultimate objective is to create optimum operational efficiencies while enhancing the customer experience. This will enable us to minimize any prospect of loss resulting from inadequate information while implementing policies, procedures or systems in place. This has been especially beneficial during the COVID-19 pandemic, as it has underlined the absolute necessity of fully embracing digitalisation in order to support new ways of working from home and connecting with our customers.

The Group is actively and continuously pursuing new product and technology innovations to address the increasingly sophisticated needs of our customers such as adopting the use of computerized maintenance management system to enhance our service support to our customers.

The Group will continue to strengthen its market position and expand its customer base by penetrating new market segments.

#### Financial Risks

##### **Foreign exchange risk**

The Group is exposed to fluctuations in foreign exchange rates as a major part of our sales and purchases are transacted in foreign currencies. Our finance, purchasing and sales departments will coordinate our foreign currency sales and purchases to be in the same currency as much as possible to minimize our foreign currency exposure as a form of natural hedging. Should our exposure become substantial, the Group would consider hedging our position. However, there would remain risks arising from foreign exchange and any adverse fluctuations in the foreign exchange rates may have an adverse impact on the Group's revenue and earnings.



## Management Discussion and Analysis (Cont'd)

### COVID-19 Risks

The COVID-19 pandemic has impacted the economy, companies and people's livelihood globally. It has also highlighted the potential risks and vulnerability in the sustainability of even the most resilient companies. However, the upside is the changes in consumers' needs and behaviour, in that more application and consumption of semiconductors are seen during this unprecedented time and greater demand for virtualising large sections of the economy and society, such as working from home, which increased the demand in electronic devices such as computers, laptop, smart phones, servers and other ways of virtualisation. These trends are likely to increase demand for data servers, cloud usage, contactless and automated solutions and Internet of Things.

Our topmost priorities during this pandemic have been to safeguard the well-being of our employees and customers. Hence, the Group has also taken all appropriate measures and adhered strictly to all the recommended standard operating procedures as laid out by all the local government rules and regulations. We are pleased that we had zero reported cases of any of our employees contracting the virus, and we intend to maintain it this way until the pandemic has been fully curbed.

### DIVIDEND

The Board did not recommend or paid any dividend in respect for the FYE 2020.

# SUSTAINABILITY STATEMENT

## ASSURING YOU OUR BEST, ALWAYS!

The Group prides itself in our tagline, “Assuring you our best, always!”, which highlights our efforts to constantly seek the best solution to suit our customers’ requirements to help us continuously move towards a sustainable future.

The Group aims to continue our sustainability journey in achieving operational profitability whilst simultaneously focusing on the economic, environment and social (“EES”) criteria as essential elements in enabling the Group to achieve success now as well as into the future.

Our Sustainability Statement (“SS”) was prepared in pursuant to Bursa Malaysia Securities Berhad’s (“Bursa Securities”) ACE Market Listing Requirements (“AMLR”) and Sustainability Reporting Guide issued. In preparing this Statement, the Group also considered the Sustainability Reporting Guide - 2nd Edition and its accompanying Toolkits, issued by Bursa Securities.

The Group is committed towards ensuring that our business operations are carried out in a sustainable and responsible manner, taking into consideration of the EES implications the Group is exposed to. This sustainability statement outlines our endeavours throughout FYE 2020 in areas where our expertise and resources can make a positive impact.

### IMPLEMENTATION

The Group has in place a Sustainability Committee with a clear organisation chart for the implementation of its sustainability activities. The Managing Director is the Chairman and the main driver of the sustainability measures and initiatives. He is supported by the team of key management personnel in implementing strategies towards achieving sustainable performance for the Group.



## Sustainability Statement (Cont'd)

The Group operates in more than 10 industries. Therefore, aligning and taking a genuine interest in the wellbeing of all our respective stakeholders remains as one of our main corporate mission. The Group has various channels of communication available whereby effective communication with our stakeholders can be ensured.

In adopting specific channels to specific stakeholders, we are able to ensure that these stakeholder's expectations and requirements are met. The summary below shows our key stakeholders, their areas of interests and the platforms we use to engage them in.

| Key Stakeholders        | Areas of Interests   | Platforms Used   |
|-------------------------|--|--|
| Directors               | <ul style="list-style-type: none"> <li>Financial Performance</li> <li>Corporate Governance Practices</li> <li>Business Strategy</li> </ul>   | <ul style="list-style-type: none"> <li>Quarterly Board Meetings</li> <li>On-Going Interactions</li> </ul>  |
| Management              | <ul style="list-style-type: none"> <li>Financial Performance</li> <li>Corporate Governance Practices</li> <li>Product &amp; Technical Support Services Quality</li> <li>Business Strategy</li> <li>Human Capital Management</li> </ul>   | <ul style="list-style-type: none"> <li>Monthly Management Meetings</li> <li>On-Going Interactions</li> <li>Key Management Meetings</li> </ul>  |
| Employees               | <ul style="list-style-type: none"> <li>Employee Health &amp; Well-Being</li> <li>Occupational Safety</li> <li>Compensation &amp; Benefits</li> <li>Career Development</li> </ul>   | <ul style="list-style-type: none"> <li>Employee Manual Handbook</li> <li>Emails Memo</li> <li>Intranet</li> <li>Performance Appraisal</li> <li>Learning &amp; Development Programmes</li> </ul>  |
| Shareholders/ Investors | <ul style="list-style-type: none"> <li>Financial Performance</li> <li>Corporate Governance Practices</li> <li>Business Strategy</li> </ul>   | <ul style="list-style-type: none"> <li>Annual General Meetings</li> <li>Quarterly Financial Reports</li> <li>Investors Briefings</li> </ul>  |
| Customers               | <ul style="list-style-type: none"> <li>Technologies &amp; Innovation</li> <li>Product Reliability &amp; Quality</li> <li>Technical Support Services</li> <li>Competitive Pricing</li> <li>Manufacturing Capacity</li> <li>On - Time Delivery</li> <li>Compliance with Regulations</li> <li>Corporate Governance Practices</li> </ul> | <ul style="list-style-type: none"> <li>On - Site Visit</li> <li>Exhibitions</li> <li>Customer Training &amp; Support</li> <li>Customer Complaint Form</li> <li>Customer Satisfaction Survey</li> <li>Webinar/Conference</li> <li>Corporate Website</li> <li>Social Media (LinkedIn)</li> </ul> |
| Suppliers/Vendors       | <ul style="list-style-type: none"> <li>Compliance with Regulations</li> <li>Corporate Governance Practices</li> <li>Agreeable Contracts</li> <li>Terms of Payment</li> </ul>   | <ul style="list-style-type: none"> <li>Email Correspondence</li> <li>On - Site Visit</li> <li>Daily Interactions</li> <li>Vendor Assessment &amp; Evaluation Procedure</li> <li>Annual Performance Evaluation</li> </ul>   |
| Communities/ Societies  | <ul style="list-style-type: none"> <li>Corporate Governance Practices</li> <li>Community Involvement</li> <li>Environmental Management</li> </ul>  | <ul style="list-style-type: none"> <li>Community Involvement Programmes</li> <li>Career Fairs</li> <li>Corporate Website</li> <li>Social Media (LinkedIn)</li> </ul>   |
| Media                   | <ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Community Involvement</li> </ul>   | <ul style="list-style-type: none"> <li>Corporate Website</li> <li>Social Media (LinkedIn)</li> </ul>   |

## Sustainability Statement (Cont'd)

With the pandemic crisis in 2020, we undertook a structured risk assessment exercise within all department's process to help us identify and prioritise sustainability issues, risks & opportunities unique to our business operations and stakeholders.

Among the known risks associated with the Group, we have also included some other emerging risks which includes but not limited to, technological change, business continuity plans and employee wellness. In assessing the risk and opportunities, several sustainability issues arise that helps us to identify and prioritise some sustainability matters that are relevant to the Group.

| Risk  | Mitigation Techniques  |
|---|--|
| Loss of product agency  | To actively engage with supplier and continuously keep customers satisfaction  |
| Discontinuation of support from supplier  | Work closely with supplier/sales department to upgrade/replace old machine   |
| Change of Market/AELB/ Industry regulation  | To keep regulation up-to-date  |
| Pandemic/Disaster – Not able to promote products effectively via product demo   | Working on online marketing, LinkedIn marketing, conducting webinars   |
| End of product life cycle   | Aggressively work on alternative/replacement products  |
| Lack of trained engineer's knowledge on software/ technology/industry changes   | Constantly provide trainings to related areas to enhance engineer's knowledge/ expertise   |
| Poor aftersales support   | Provide necessary soft skills training to all related personnel  |
| Production delayed due to :<br>- pandemic/disaster<br>- supplier lack of on-hand stock<br>- customs restrictions<br>- increased freight charges | - Ensure adequate stock-on hand<br>- Maintain good relationship with suppliers<br>- Keep up-to-date with customs regulations and changes in freight regulations for export/import issues<br>- Maintain good relationship with several freight/cargo provider |

In performing this prioritisation exercise, we were assisted by an independent consultant. This year, we engaged with three internal stakeholder groups – Directors, Management and employees. The Group's sustainability risks and opportunities are grouped under Innovation-led Growth and Ethical & Social Responsible Operations.

The first theme summarises our intention to grow our business by actively innovating and improving our capabilities in technological development to remain competitive in the dynamic business environment. The second theme encapsulates our efforts to operate ethically by upholding our integrity, and managing our responsibility towards our supply chain, employees, environment and community while pursuing our business strategy.

## Sustainability Statement (Cont'd)

| THEMES                                  | Our Sustainability Matters                     | Our Initiatives  | Our Outcomes   |
|---|--|--|--|
| INNOVATION-LED GROWTH                   | Business Growth & Continuity                   | <ul style="list-style-type: none"> <li>• Technological Advancement Industry 4.0</li> <li>• Diversification of product portfolio</li> <li>• Sales &amp; Service Recurring Revenue</li> <li>• Industry Networking and Collaboration</li> </ul> | <ul style="list-style-type: none"> <li>• Broaden customer base</li> <li>• Launch of new products</li> </ul>  |
|   | Product Quality & Customer Relationships       | <ul style="list-style-type: none"> <li>• Quality related standard operating procedures</li> </ul>  | <ul style="list-style-type: none"> <li>• Achieve high customer satisfaction rate</li> <li>• Avoid loss of customer confidence or customer cancel PO</li> </ul> |
| ETHICAL & SOCIAL RESPONSIBLE OPERATIONS | Ethics & Compliance                            | <ul style="list-style-type: none"> <li>• Code of Conduct and ethics related policies</li> </ul>  | Zero ethical breaches  |
|   | Supply Chain Management                        | <ul style="list-style-type: none"> <li>• Supply chain related policies</li> <li>• Purchase of materials and supplies from local vendors/suppliers</li> <li>• Engagement with suppliers from the Approved Vendor List ("AVL")</li> </ul>      | Strong relationship with suppliers   |
|   | Occupational Health & Safety                   | <ul style="list-style-type: none"> <li>• Health and Safety Committee</li> <li>• Health and Safety Training</li> <li>• Health and Wellness benefits</li> </ul>  | Zero cases of safety accidents   |
|   | Fair Employment Practices & Talent Development | <ul style="list-style-type: none"> <li>• Participation in Career Fairs</li> <li>• Investment in technical skills training and career development programmes</li> </ul>   | Increased in employee satisfaction rate  |

## Sustainability Statement (Cont'd)

### ECONOMIC: INNOVATION-LED GROWTH

#### Business Growth & Continuity

##### **Technological Advancement Industry 4.0**

With the advancement and requirement of Industry 4.0, the semiconductor industry will be taken to new heights as it would be the main driving forces for technological development and progress. The Group aspires to provide manufacturing products and solutions that is fully automated complete with big data stored in a cloud-based platform for artificial intelligence ("AI") analytics to be performed on a real time basis. This would include developing products such as the automated wafer stocker with automated guided vehicle.

##### **Diversification of Product Portfolio**

Amongst these products, we are also developing RFID Warehouse Management System (that provides real-time and accurate stock management), RFID Bunny Suit Management System and Production E-travelling System that streamline workflow with digitalisation processes to enable operational efficiency improvements.

##### **Sales & Service Recurring Revenue**

During FYE 2020, to manoeuvre around the COVID-19 pandemic, the Group had endeavoured to use various digital platforms to maintain a closer working relationship with our key suppliers and customers to ensure that our sales and service team are able to cater to our customers' needs amidst all the travelling restrictions imposed through the various Movement Control Orders.

On 4th January 2021, we acquired a new corporate headquarter and manufacturing facility to cater for our expanding physical space requirements particularly for our manufacturing. This new office and factory will also be equipped with a full fledge technical seminar and equipment application demo area and also a Cleanroom Class ISO 4/5.

##### **Industry Networking and Collaboration**

We recognise that our relationships with external stakeholders is an equally important element to achieving innovation excellence. We continually seek out new opportunities by building collaborative relationships, listening to the needs of our customers, and ultimately, maintaining and strengthening our relationships with key industry players. For FYE 2020, due to restrictions on movements, we have not been able to participate in any physical exhibitions. To facilitate this opportunity for us, we have launched a series of webinars to help us reach out to our customers for technical product sharing.

|   |                           |                 |
|---|---------------------------|-----------------|
| Webinar: Tribology as A Basis in Condition Based Monitoring                         | 27 <sup>th</sup> Aug 2020 | Microsoft Teams |
| Discover New Spectro Icp-Oes Advanced Technology for Soils & Environmental Analysis | 20 <sup>th</sup> Oct 2020 | Microsoft Teams |
| Live Webinar: The Benefit of On-Site Lubricant Analysis                             | 26 <sup>th</sup> Nov 2020 | Microsoft Teams |

##### **Product Quality & Customer Relationships**

As our mission is to keep our customers satisfied over a long-term period, we have implemented a customer satisfaction form to be sent out to our customers periodically to ensure that all customers are satisfied with the products that we offer, the attitude of our sales and service personnel, ensuring timely product delivery and also to assess the overall customer satisfaction towards our products and services.

## Sustainability Statement (Cont'd)

### ETHICAL & SOCIAL RESPONSIBLE OPERATIONS

#### Ethics & Compliance

Given the increasing regulatory requirements to operate a business domestically and across borders, businesses are under immense pressure to demonstrate compliance, accountability and transparency. At the same time, the call for good corporate governance has put the spotlight on businesses to act ethically and with integrity to foster confidence among customers, financial markets and investors.

In this regard, we place close attention to all regulations that are applicable to us and make every effort to meet them, and ensure our international subsidiaries are also meeting respective local governmental regulations. Our Group is guided by the Code of Conduct, which details the standards of professional behaviour expected of all employees and directors in conducting business. The Code of Conduct also states explicitly that all forms of insider information and securities trading, bribery and corruption are prohibited. The Code also forbids employees and directors from offering and accepting gifts or any form of benefits from third parties.

We have also established a Whistle Blowing policy for employees to report any misconduct, criminal offence or malpractices. Under this policy, complaints are reported to the Management, and where it is warranted, an Investigating Officer will conduct an investigation and subsequently recommend disciplinary or remedial action. For further information, documents on our policies are published on our corporate website at <https://www.qesnet.com/corporate-governance>

#### Supply Chain Management

The success of our business is closely linked to the performance of our supply chain. In other words, the operational performance of our supply chain will impact customer's perception of the business and the service they receive from it.

In selecting new suppliers, we evaluate their capabilities in terms of financial performance, production capabilities, and ability to deliver products in a timely manner and at specific quality standards. To further heighten efficiency and productivity, we only collaborate with trustable and credible suppliers from our Approved Vendor List ("AVL"). In this manner, we are able to speed up the procurement process by eliminating the supplier evaluation and selection phase.

### SOCIAL: Occupational Health & Safety

#### Health and Safety Training

As a demonstration of our commitment to upholding the highest standards of safety, we rely on comprehensive preventive measures, and the cooperation of our employees to adhere to the best practices in their day-to-day operations. We inspect emergency preparedness equipment such as the firefighting system, fire extinguisher, medical equipment and facility, emergency exit signage and light to ensure they are available, well maintained and functioning in the event of emergencies.

The inspections are carried out on a monthly and quarterly basis. In conducting these inspections, we aim to prevent, if not eliminate incidents, injuries and illnesses arising from unsafe or unhealthy work conditions and processes.

Our emphasis on employee's health and safety well-being can be witnessed through the establishment of our in-house Health and Safety Committee which comprises the: -

- Atomic Energy Licensing Board (AELB) Emergency Response Training Team
- Emergency Response Team
- Monthly Fire System Maintenance Team
- Health & Safety Team.

The aim of these teams is to ensure that we provide an accident-free workplace environment across our workstations to all our employees. We ensure all employees are familiar and well-versed with the plan to minimise safety incidents in the event of emergencies. As the below table shows a list Occupational Health & Safety training that was conducted for the FYE 2020.

## Sustainability Statement (Cont'd)

- ALM102 - Radiation Safety and Emergency Management Training
- Initial ergonomics risk assessment method for OSH practitioners (Based on DOSH 2017 new guideline)
- Contractor Safety Passport System - Low Risk Work
- Contractor Safety Passport System - High Risk Work
- Fire Drill Demonstration – Theory and Practical training
- New Hires Orientation

We are pleased to report that there were no cases of occupational health and safety accidents and fatality reported in 2020.

### Health and Wellness

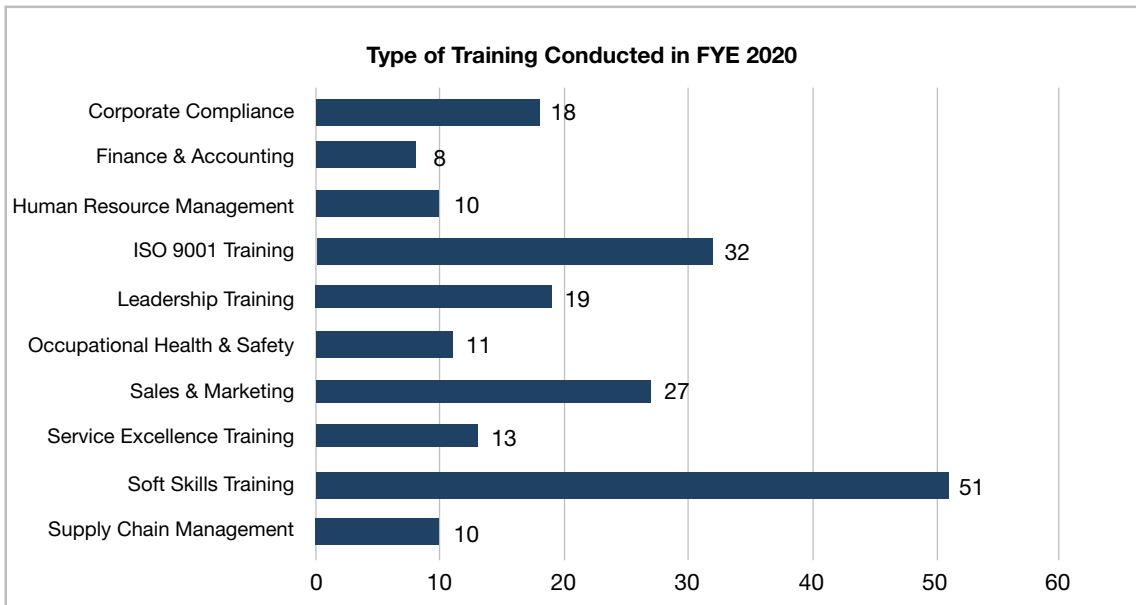
The well-being of our employees matters to us. We equally emphasise on work-life balance among our employees by providing healthcare and wellness benefits. On top of that, we organise health screenings and seminars to promote healthy lifestyle habits. Our efforts extend further to organising sports activities such as weekly badminton and monthly futsal sessions. Due to the pandemic in 2020, we have decided to stop all activities to minimize the risks of all our employees. We also provide monthly masks supply to all our staffs, COVID-19 swab tests, care kits provided to all sales and service engineers that are required to visit customer sites, individual thermometers provided to all staffs for temperature recording, daily office sanitization and most importantly a safe, working environment for all our employees during the pandemic crisis.

### SOCIAL: Fair Employment Practices & Talent Development

We see our employees as one of our major stakeholders and we understand the value of investing in them as an important step to ensure continuous growth for the Group. Our support to our employees is extended not only to their career, but also to their personal development through trainings, workshops and non-work-related activities organised by the Management.

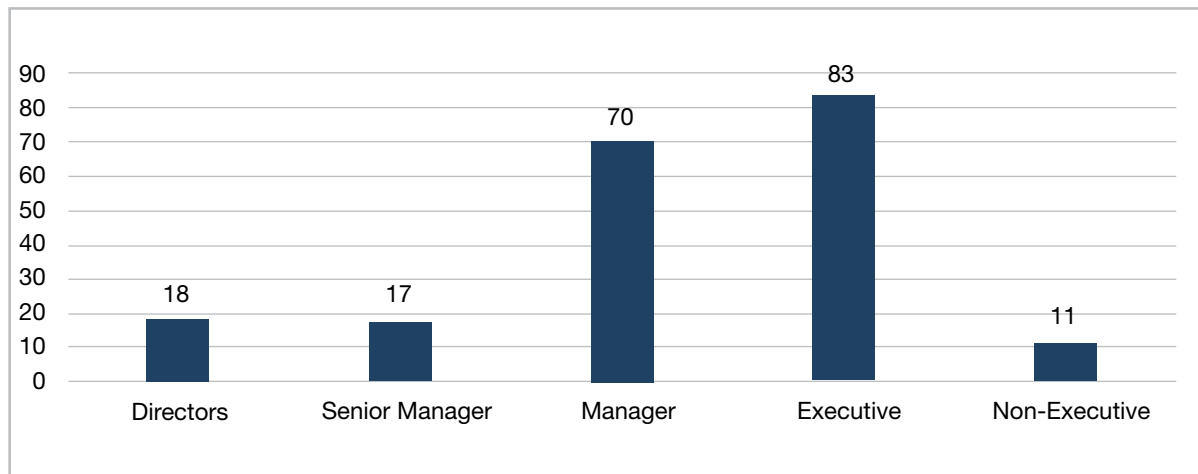
Various training and talent development programmes were conducted throughout FYE 2020 to ingrain an on-going learning culture in our team. We place great emphasis in ensuring that our workforce is professionally fulfilled and appropriately skilled, as this will ultimately translate to the long-term success of the Group. The Management has arranged for a series of soft-skill trainings for all employees in different job scope to enable them to “think outside the box” both creatively and critically.

In FYE 2020, the Group conducted a total of 199 on-line trainings in embracing the new normal.





## Sustainability Statement (Cont'd)



### ENVIRONMENT: Reduce, Reuse, Recycle & Rethink

Environmental sustainability forms an integral part of the Group's sustainability philosophy. We work to integrate the best sustainability practices across our operations to reduce adverse environmental impact on the ecosystem.

In our daily operations, we are committed to recycling, energy-saving practices and undertaking measures to reduce wastage, pollution and harmful emissions. We are committed to improve the efficiency of our resources and reduce our environmental impact by encouraging our employees: -

- To recycle old documents
- To distribute all memos via email
- To disseminate all company information such as handbooks, SOP, forms using internal electronic network
- To reuse delivery boxes when necessary
- To reuse shipping, packing material when necessary
- To switch off all electrical appliances when not in use

During the reporting period, there were no incidents of non-compliance and penalties pertaining to environmental-related issues. To maintain the highest standard of environmental compliance and to prevent future occurrence of incidence, the management will continue to review and improve current environmental management system and practices and ensure that all our activities and operations comply with existing regulatory requirements.

# GROUP HIGHLIGHTS OF 2020

Due to the pandemic, the Management postponed all corporate exhibitions, events, and office gatherings in order to ensure the safety of all our employees.



Chinese New Year 2020 – Lion Dance Celebration before the Movement Control Order in March 2020.



All employees are required to check their temperature daily, check-in on their My Sejahtera App and submit the Employee Health Declaration Form before entering the office building daily.



Daily sanitization at all office work space and manufacturing facility



Free masks are distributed to all employees monthly. Sanitization care kits are also provided to all high-risk employees such as drivers and engineers that are required to visit customer site for scheduled service maintenance.



Free lunch was also provided for all employees during the 1st phase of MCO when we are allowed to operate at 50% capacity.



## Group Highlights of 2020 (Cont'd)



The Group had arranged two COVID-19 swab tests during FYE 2020, the second one was conducted in office during the RMCO period for all employees at the Glenmarie headquarters.

Besides the standard operating procedures implemented throughout to ensure the safety of all our employees, we also conducted our routine monthly fire system maintenance.



With the restrictions due to COVID-19, we implemented a series of webinars for our existing customers and potential target markets.



### WEBINAR: TRIBOLOGY AS A BASIS IN CONDITION BASE MONITORING 27<sup>th</sup> AUGUST 2020 10.00 AM (MYT)

#### KEY SPEAKERS & TOPICS



**DR. MOHD HAFIS BIN SULAIMAN**  
*Evaluation of Tribosystems for Sheet Metal Forming*



**DR. REDUAN BIN MAT DAN**  
*Gear Coating Experiment*

[www.qesnet.com](http://www.qesnet.com)

### LIVE WEBINAR: THE BENEFIT OF ON-SITE LUBRICANT ANALYSIS

With rising costs and falling commodity prices, every minute of downtime is scrutinized and any unscheduled downtime must be minimized. Due to the remote locations of the equipment and high mobility relating to it's operation, companies must determine how to make these locations' reliability programs more effective. **JOIN US TO LEARN HOW NOW!**

Venue: Microsoft Teams Live  
Date: 26th November 2020  
Time: 11.30am - 12.30pm - Session 1  
2.00pm - 3.00 pm - Session 2  
Speaker: Muhammad Izzaham Faddie Bin Zahari  
Senior Sales Engineer (MLA II)

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