



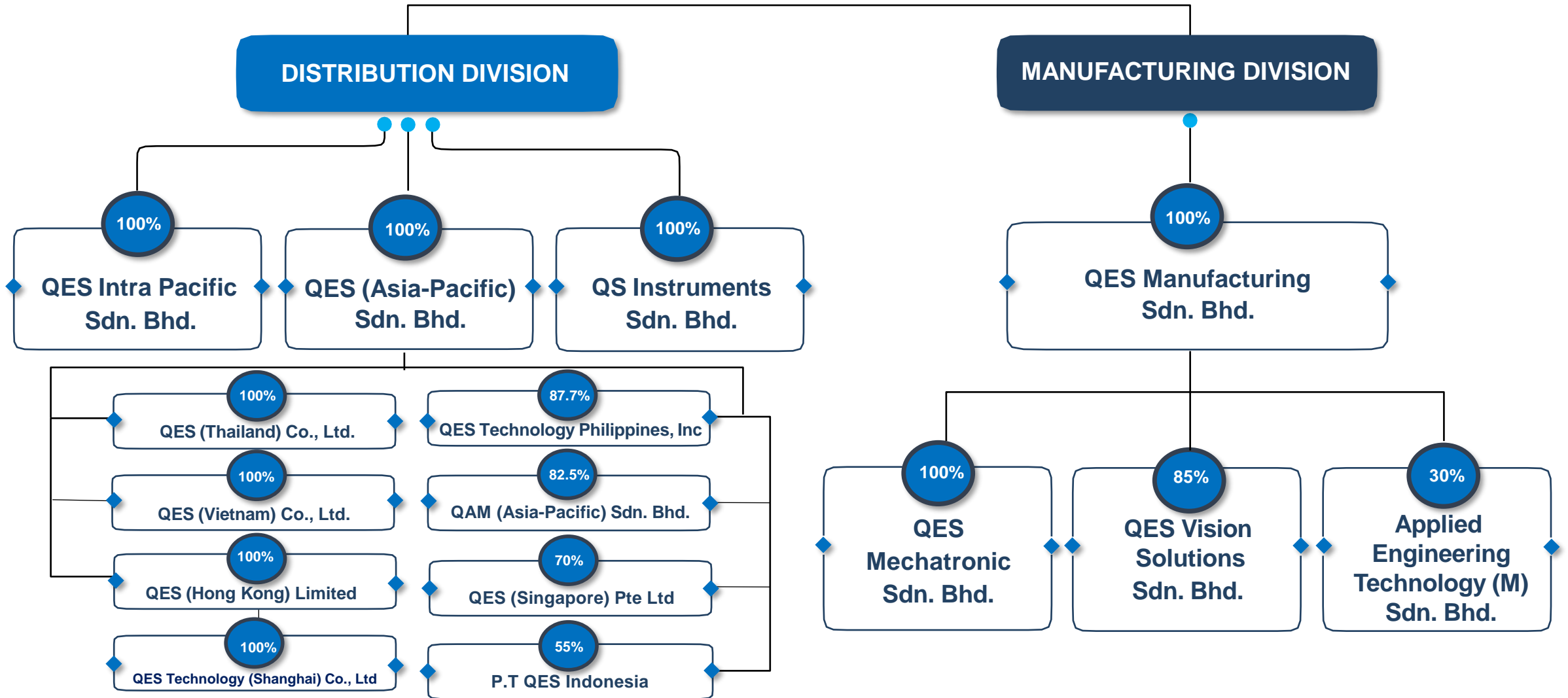
INVESTOR BRIEFING

Q3 2024 – 19 Nov 2024

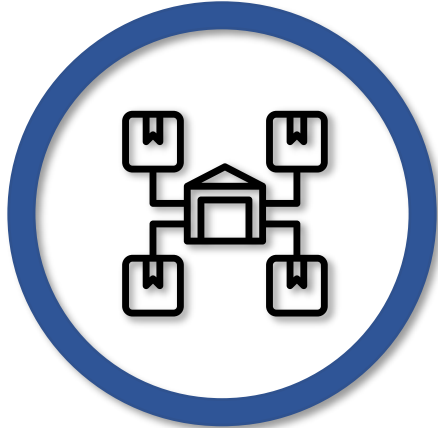
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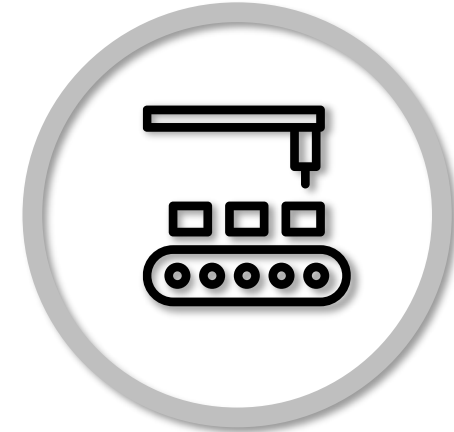
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Distribution



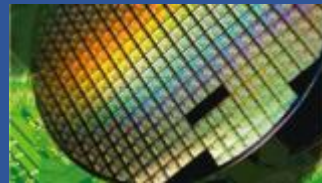
Manufacturing



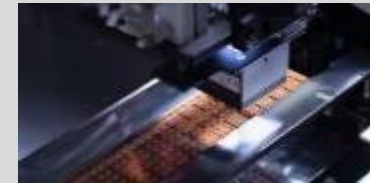
**Analytical
Instruments**



**Inspection, Test
& Measurement
Equipment**



**Materials &
Engineering
Solutions**

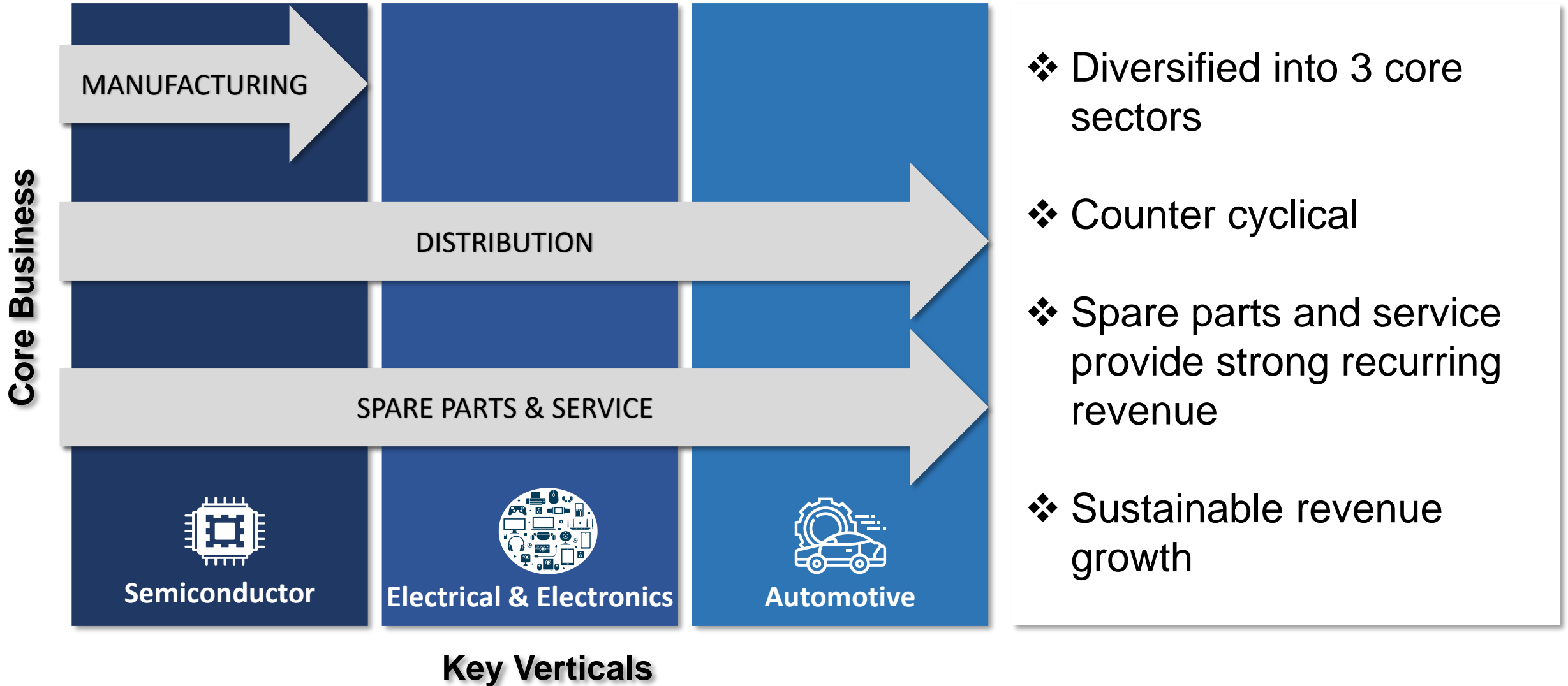


**Semiconductor
Inspection &
Measuring
Equipment**



**Semiconductor
Automated
Handling
Equipment**

BUSINESS OVERVIEW -SECTOR & PRODUCT DIVERSITY



FINANCIAL HIGHLIGHTS - QUARTERLY RESULTS QoQ AND YoY

RM'mil	For the period ended					
	Q3'24	Q2'24	QoQ%	Sep'24	Sep'23	YoY%
Revenue						
Distribution	50.9	58.8	-13.4%	160.6	152.4	5.4%
- Product	31.1	41.4	-24.9%	101.9	96.9	5.2%
- Materials	3.9	3.9	0.0%	15.0	11.2	33.9%
- Spares & Service	15.9	13.5	17.8%	43.7	44.3	-1.4%
Manufacturing	7.5	9.2	-18.5%	22.2	26.0	-14.6%
Total Revenue	58.4	68.0	-14.1%	182.8	178.4	2.5%
GP						
Distribution	13.5	15.5	-12.9%	39.9	39.7	0.5%
- Product	7.6	10.5	-27.6%	24.3	23.8	2.1%
- Materials	0.6	1.0	-40.0%	2.5	1.6	56.3%
- Spares & Service	5.3	4.0	32.5%	13.1	14.3	-8.4%
Manufacturing	2.6	3.4	-23.5%	6.8	8.1	-16.0%
Total GP	16.1	18.9	-14.8%	46.7	47.8	-2.3%
EBITDA	5.9	10.5	-43.8%	21.9	26.1	-16.1%
Operating Cost	(12.6)	(10.8)	16.7%	(31.8)	(26.1)	21.8%
Share of result of an associate, net of tax	(0.7)	0.2	-450.0%	(0.5)	-	0.0%
PBT	2.8	8.3	-66.3%	14.4	21.7	-33.6%
Tax	(1.6)	(2.2)	-27.3%	(4.8)	(5.0)	-4.0%
PAT	1.2	6.1	-80.3%	9.6	16.7	-42.5%
MI	-	0.3	-100.0%	0.5	(0.7)	171.4%
PAT Attributable (PATMI)	1.2	6.4	-81.3%	10.1	16.0	-36.9%

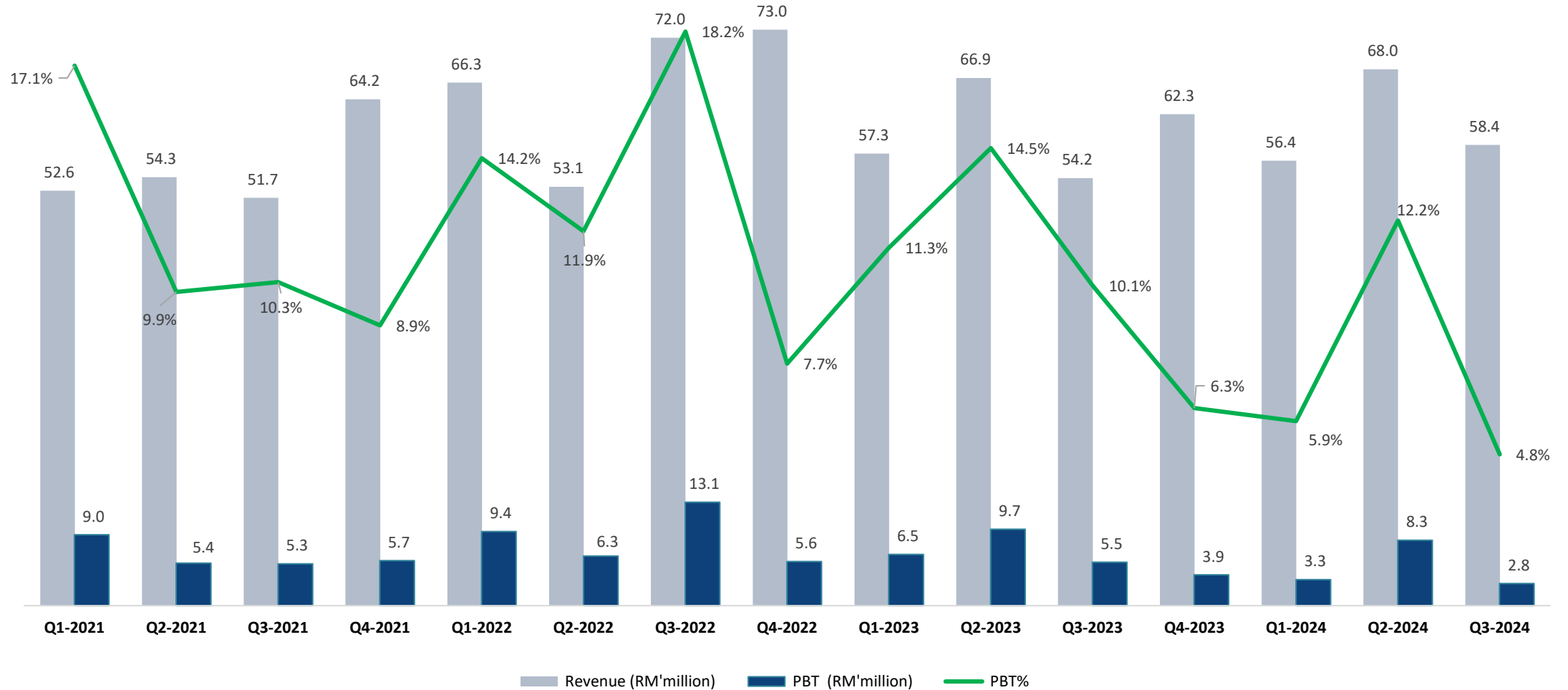
FINANCIAL HIGHLIGHTS - QUARTERLY RESULTS COMPARISON

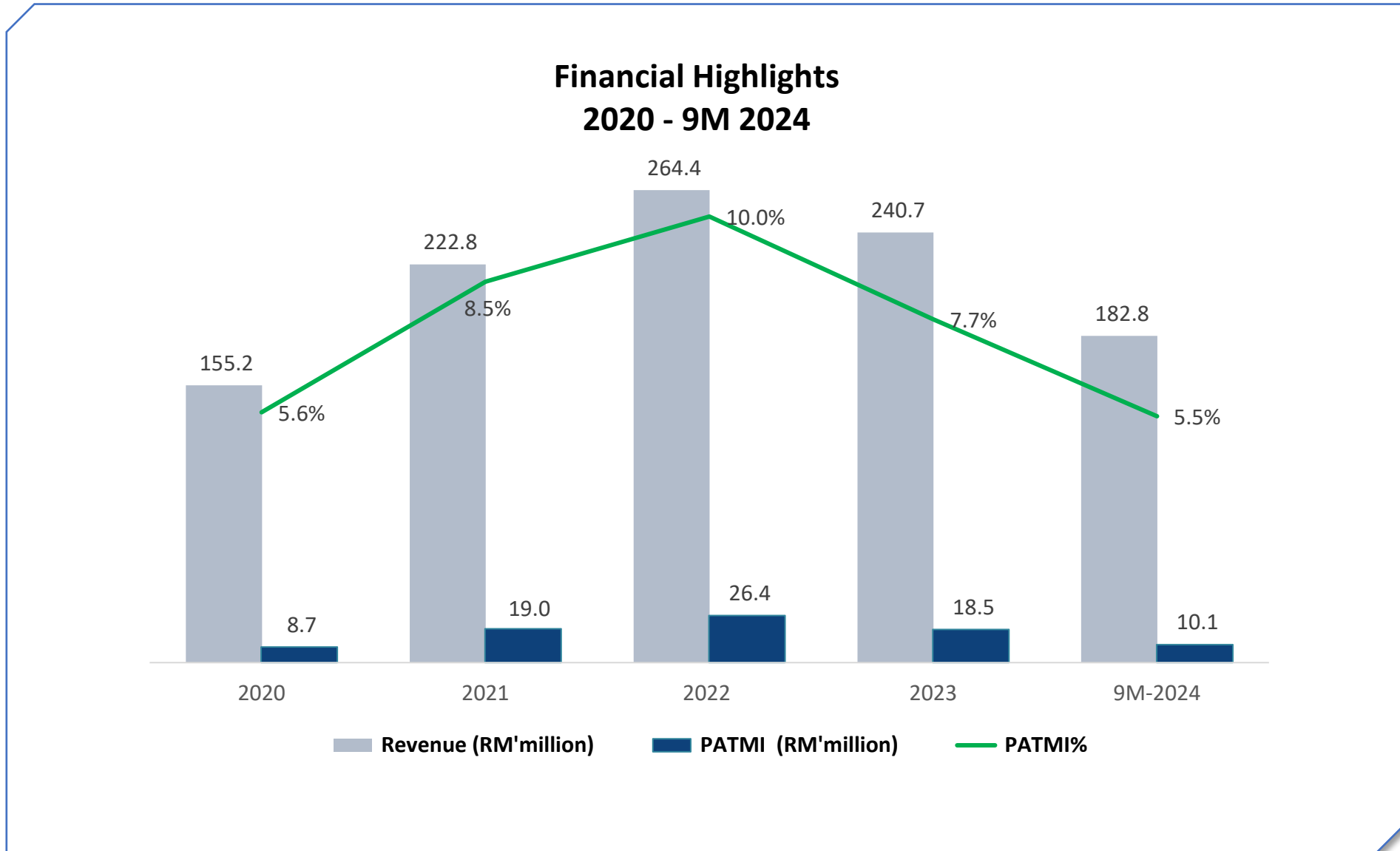
In RM 'mil

	Q3'24	Q3'23	Q2'24	Q3'24 vs Q3'23	Q3'24 vs Q2'24	For Period Ended		
						Sep'24	Sep'23	Sep'24 vs Sep'23
Revenue	58.4	54.2	68.0	↑ 7.7%	↓ -14.1%	182.8	178.4	↑ 2.5%
PATMI	1.2	4.3	6.4	↓ -72.1%	↓ -81.3%	10.1	16.0	↓ -36.9%
PATMI Margin	2.1%	7.9%	9.4%			5.5%	9.0%	
EBITDA	5.9	6.6	10.5	↓ -10.6%	↓ -43.8%	21.9	26.1	↓ -16.1%
EBITDA Margin	10.1%	12.2%	15.4%			12.0%	14.6%	

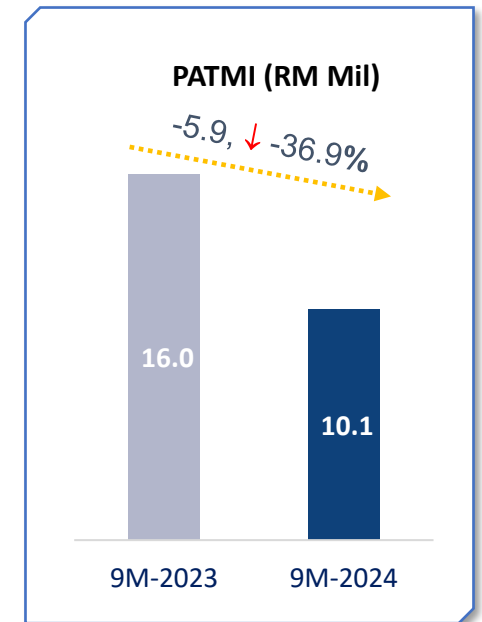
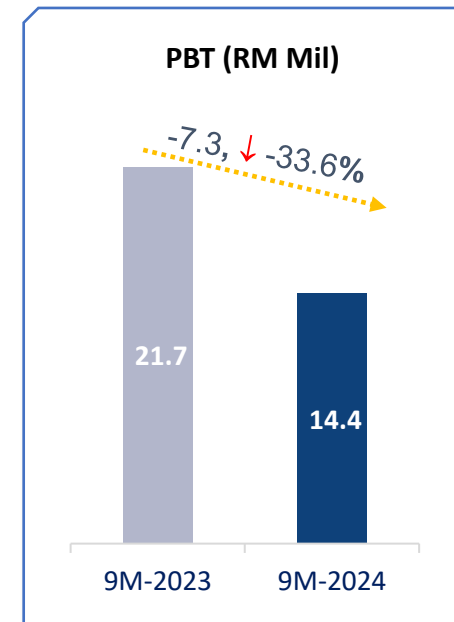
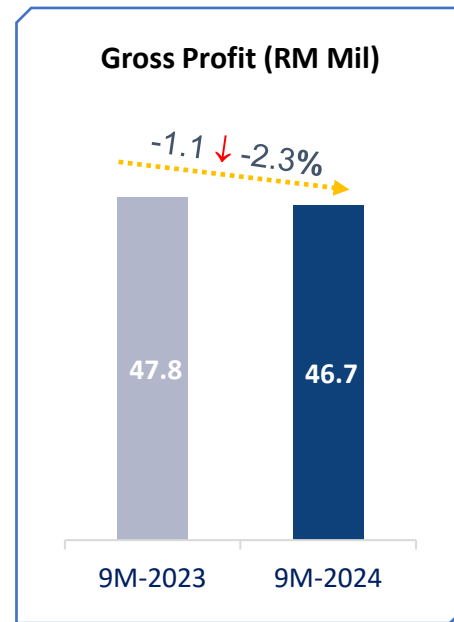
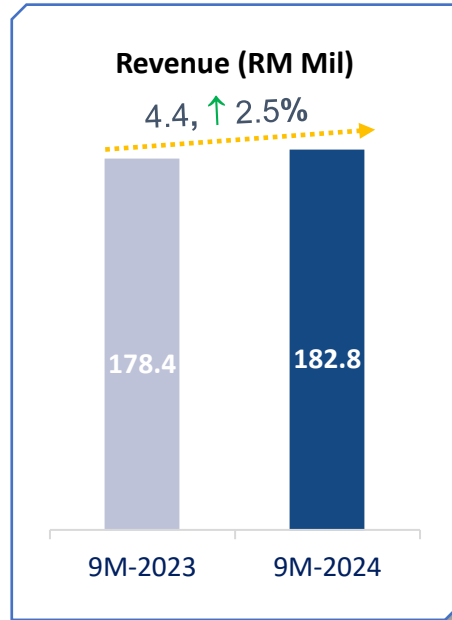
FINANCIAL HIGHLIGHTS – QUARTERLY REVENUE AND PBT TREND

Quarterly Financial Highlights 2021 - 2024 Q3



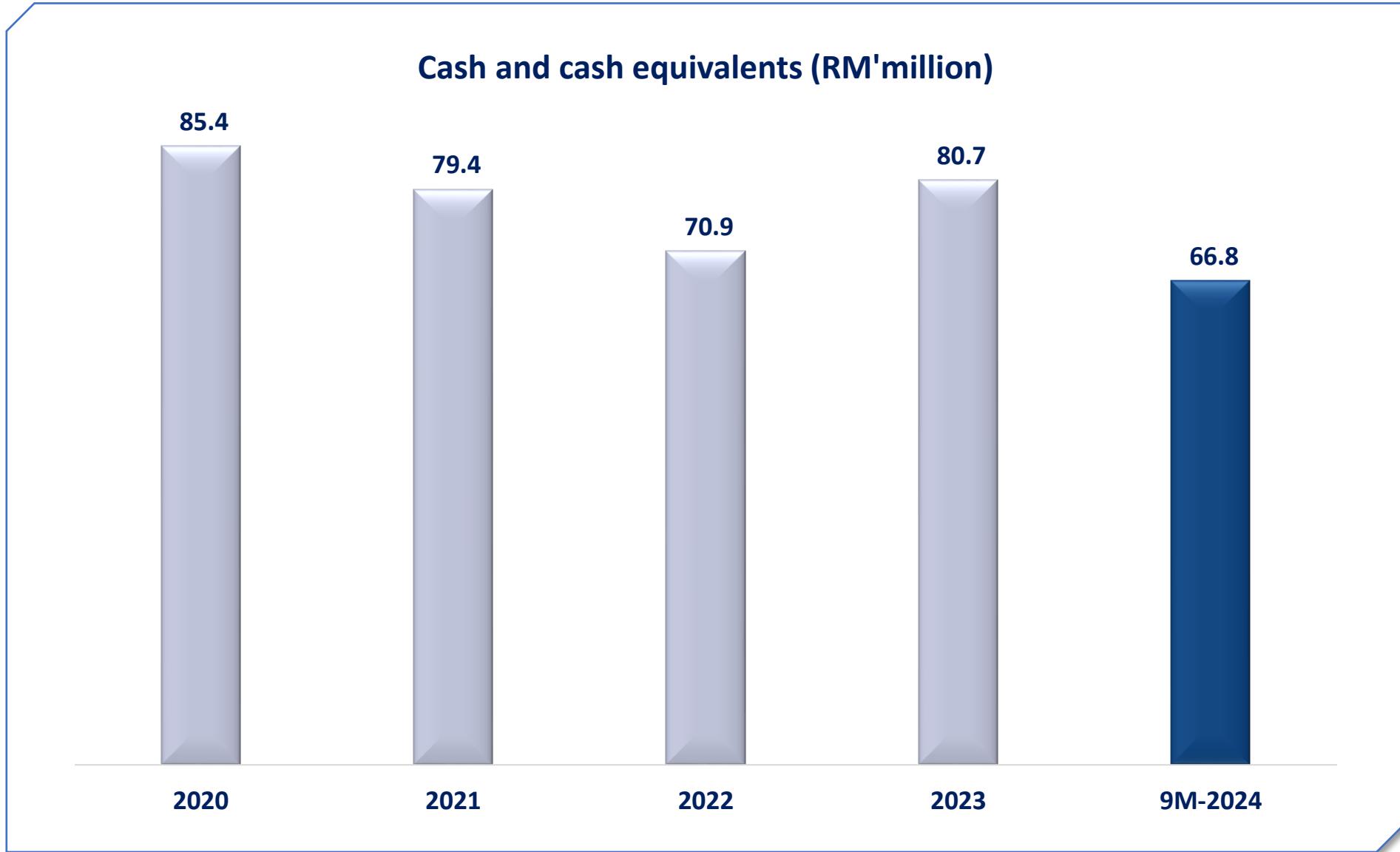


FINANCIAL HIGHLIGHTS OF FYE24 – 9M CUMULATIVE PERIOD

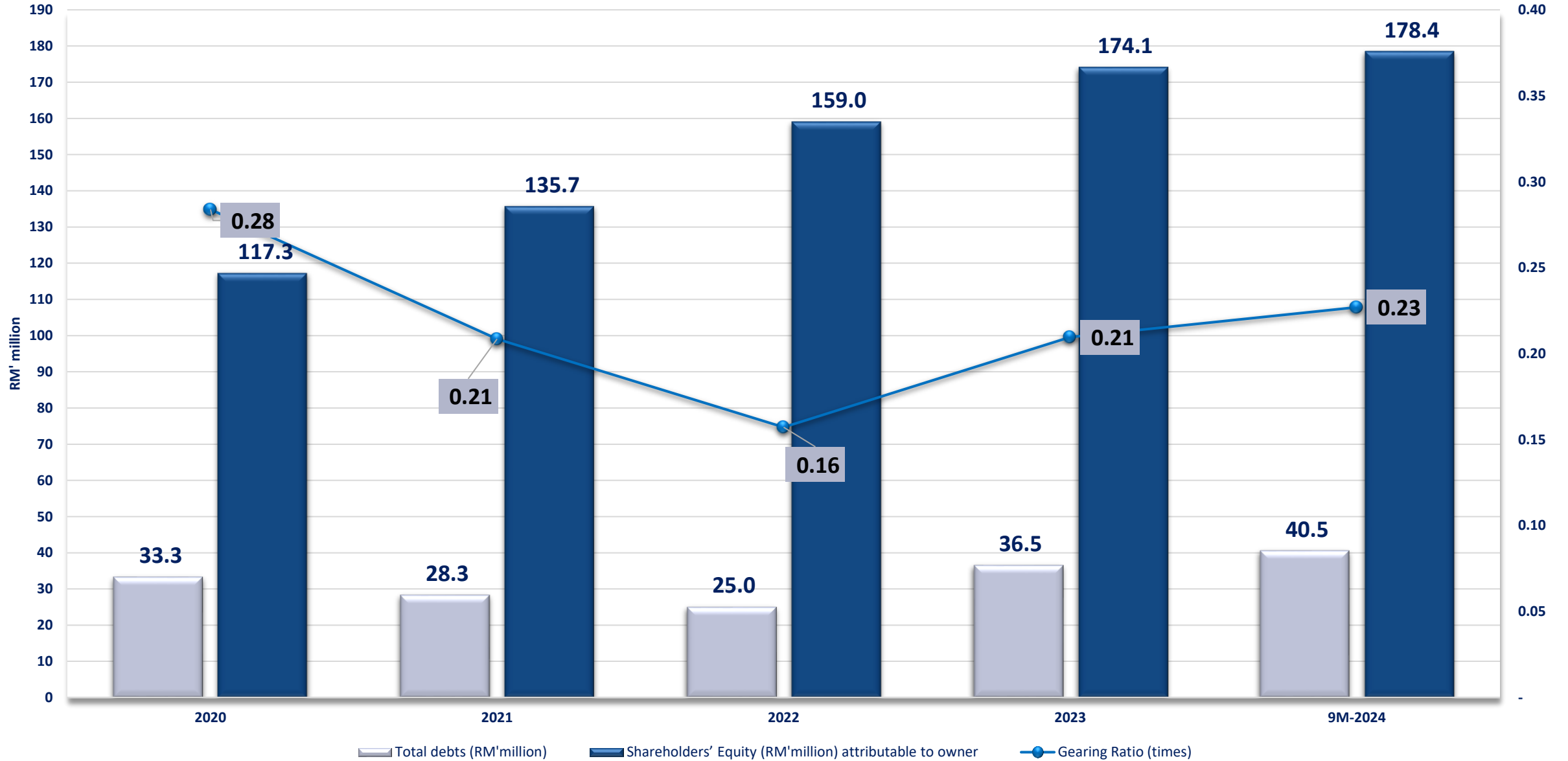


- Overall revenue increased due to an increase in sales from distribution division notwithstanding a lower sales from manufacturing division.
 - Distribution revenue increased by 5.4% YoY mainly due to an increase of 33.9% in materials and 5.2% in product despite a drop of 1.4% in spares & service.
 - Manufacturing revenue decreased by 14.6% YoY, due to lower deliveries of inspection systems and advanced wafer metrology system (AMS) despite an increase in automated handling system (AHS).
- Group GP decreased by 2.3% YoY as a result from a 16% decrease in GP contribution from the manufacturing notwithstanding an increase of 0.5% in GP contribution by the distribution division.
- Lower PBT and PATMI was mainly attributed to an unfavorable foreign exchange loss coupled with higher depreciation and amortization costs incurred in current cumulative quarter under review.

FINANCIAL HIGHLIGHTS – CASH & CASH EQUIVALENTS

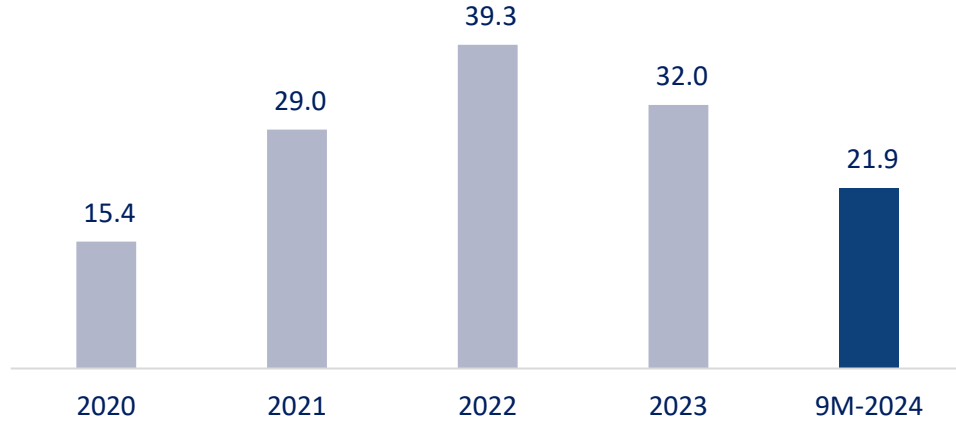


FINANCIAL HIGHLIGHTS – GEARING RATIO

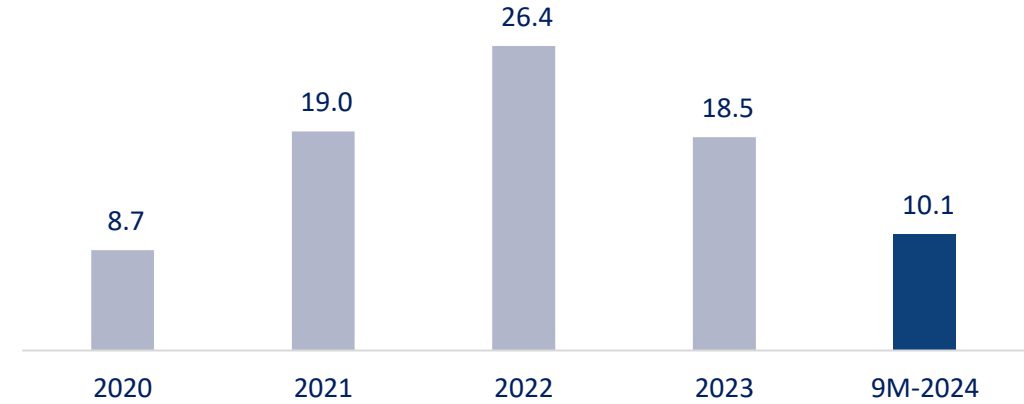


FINANCIAL HIGHLIGHTS – OTHER RATIOS

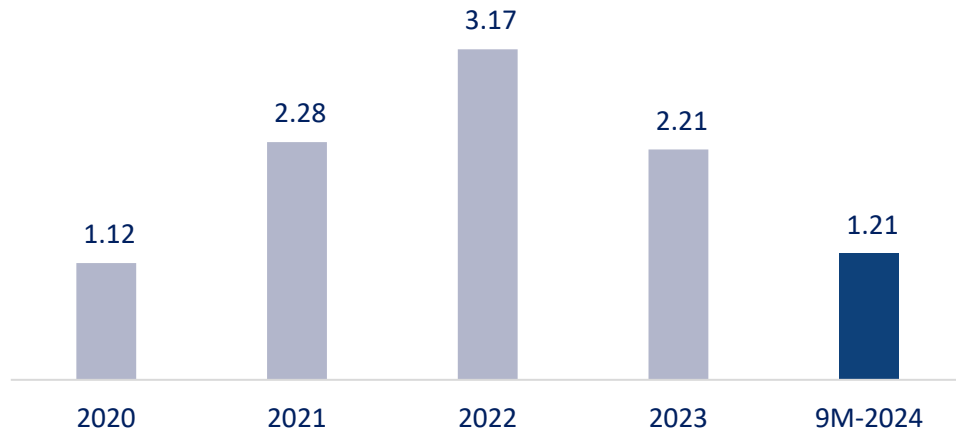
Earnings before Interest, Taxes, Depreciation and Amortisation (RM'million)



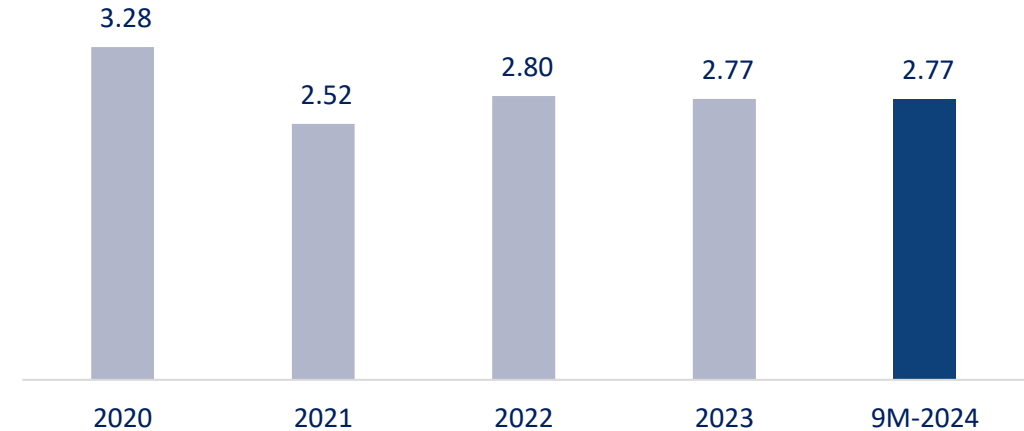
Profit attributable to Owners of the Company (RM'million)



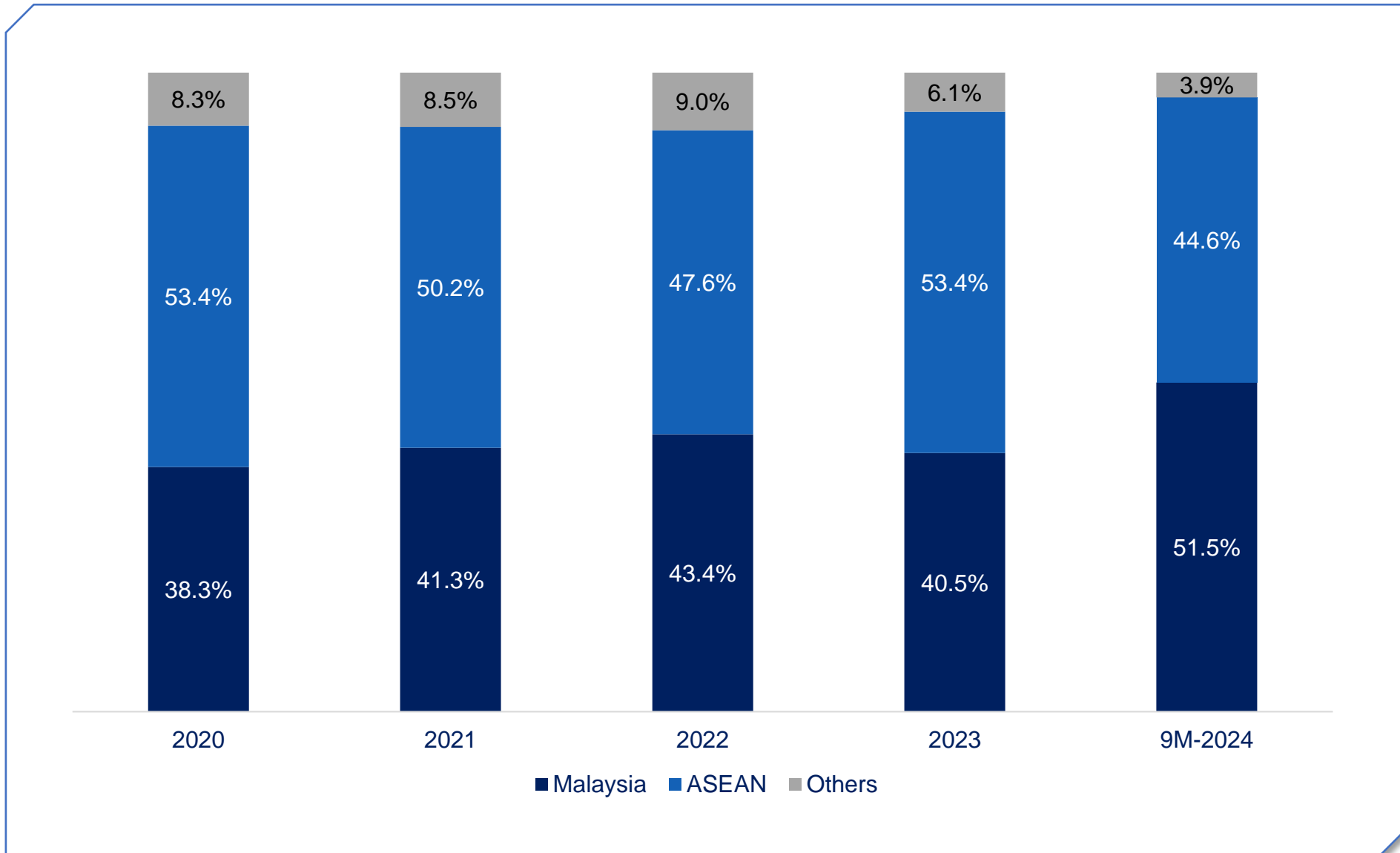
Basic Earnings per Share (sen)



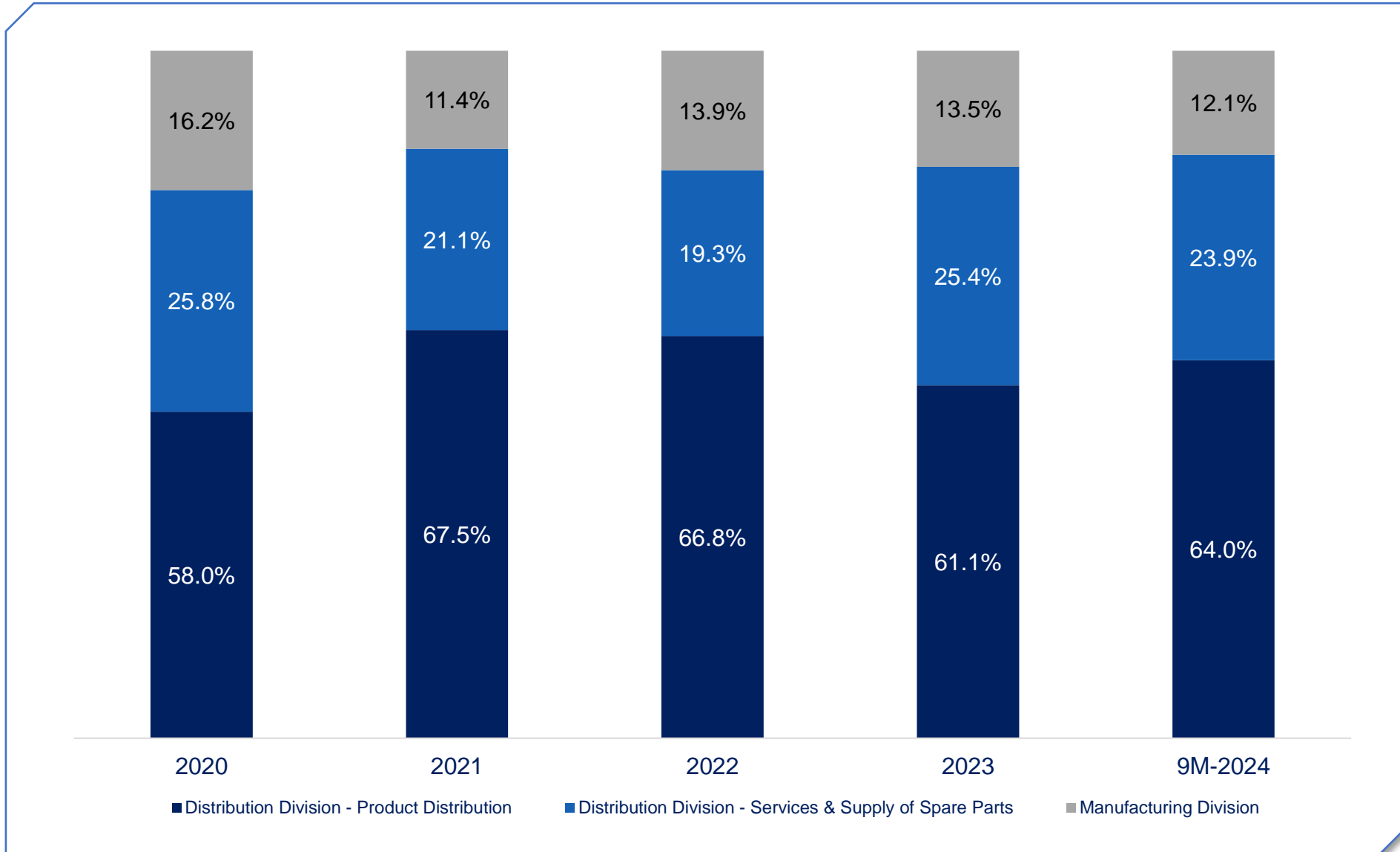
Current Ratio (times)



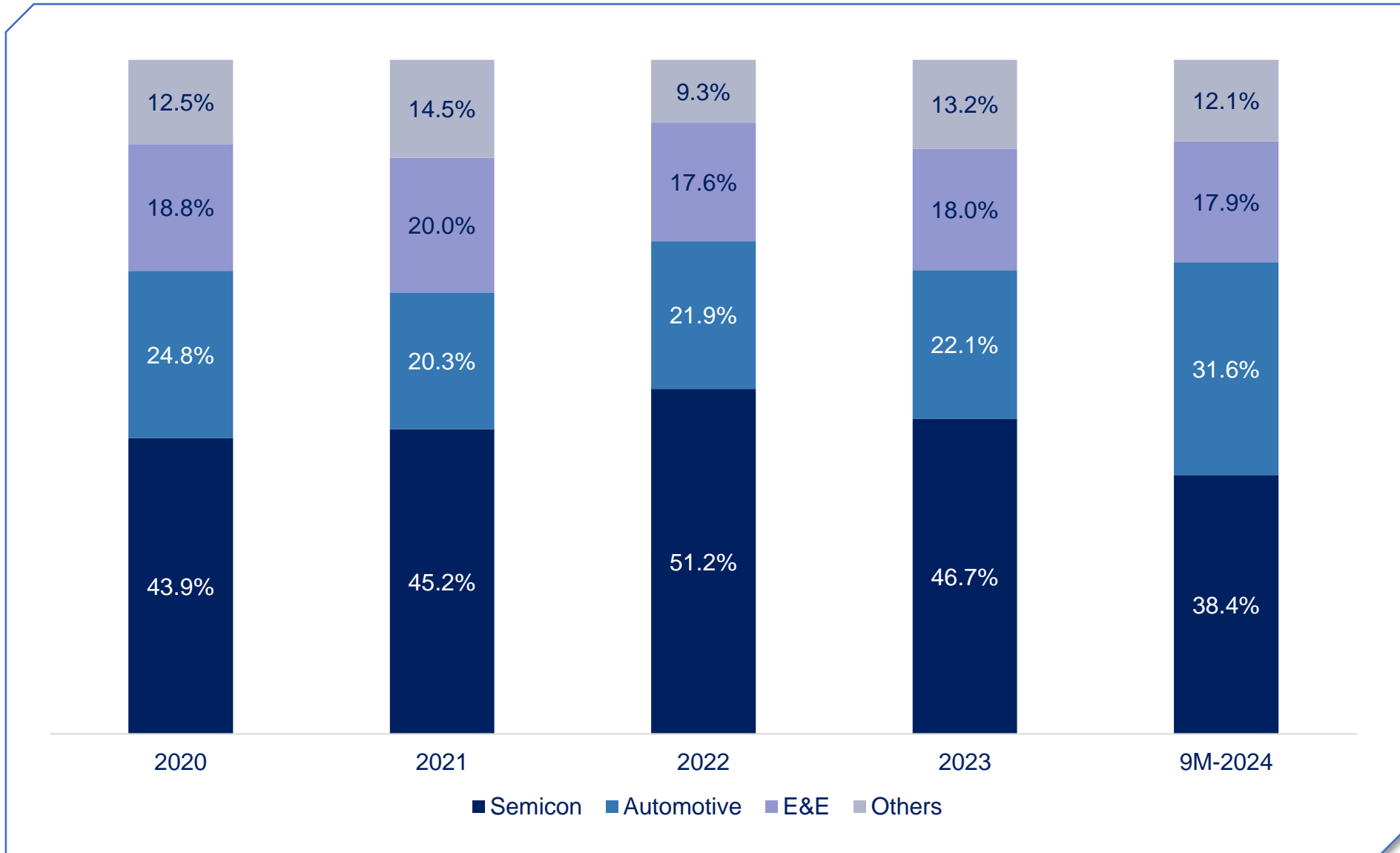
ANALYSIS: REVENUE BREAKDOWN – BY COUNTRY/REGION



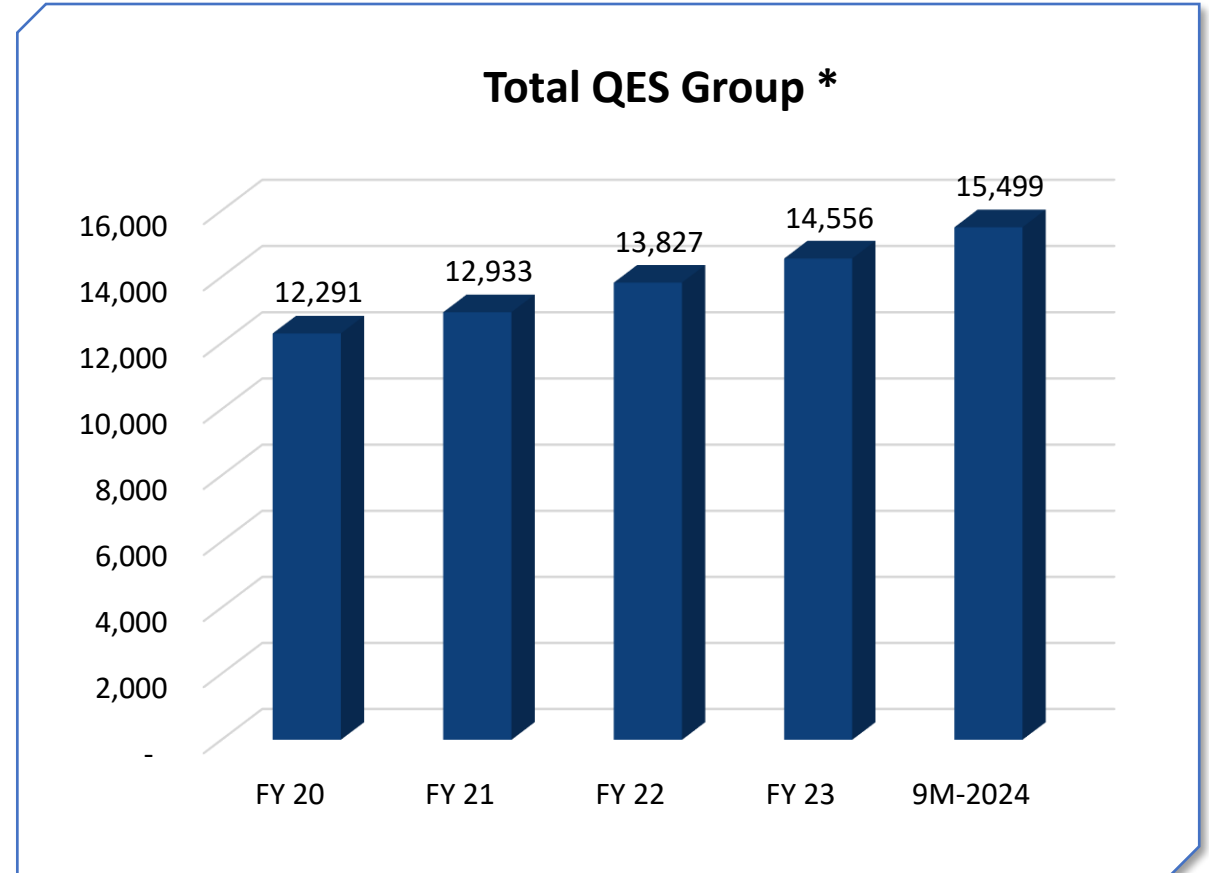
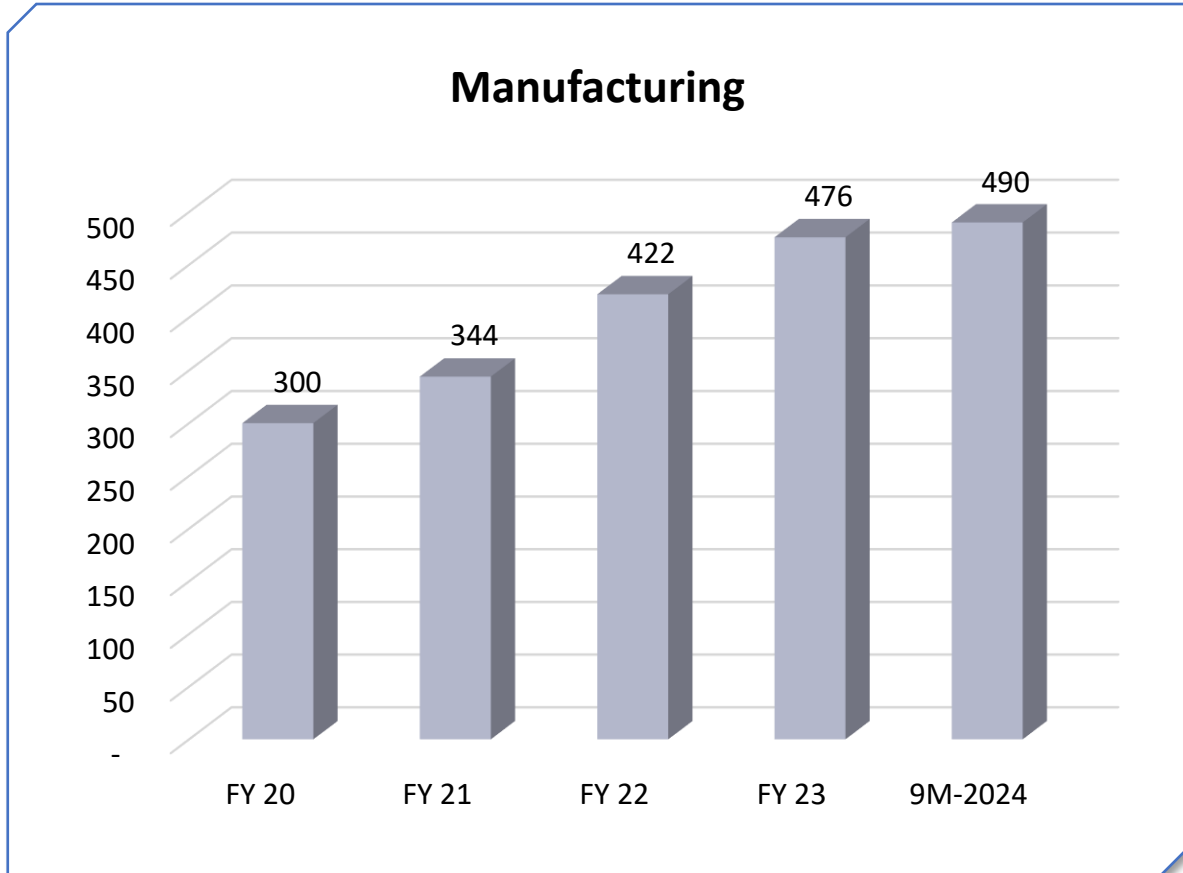
ANALYSIS: REVENUE BREAKDOWN – BY DIVISION



ANALYSIS: REVENUE BREAKDOWN – BY INDUSTRY



ANALYSIS: EQUIPMENT INSTALLED BASE - CUMULATIVE



** Some equipment are more than 10 years old and may not be active.*

SUSTAINABLE THROUGH GLOBAL UNCERTAINTIES

DIVERSE MARKET SEGMENTS & PRODUCTS



- > 30 years of being a one stop specialist in manufacturing, distribution and services of test, inspection and measuring equipment, materials and engineering solutions.
- Diversified market segments - Semiconductor, E & E and Metal & Automotive

GEOGRAPHICAL SPREAD



- Extensive subsidiaries network in ASEAN region.
- Expansion plans China via QES Hong Kong.
- Sales channel partners worldwide.

STRONG FINANCIALS



- Cash and cash equivalents of > RM 66.8 million as of 30 September 24.
- Gearing ratio of 0.23.
- Cash flow positive.

STABLE RECURRING INCOME



- Consistent recurring annual income of ~RM55-60 million (20% to 25% of group revenue) through maintenance and service of large installed base of > 7,000 active equipment (~50% from total installed base of > 14,000 equipment)

EXPERIENCED MANAGEMENT



- Long-standing management team with an average length of more than 10 years in key technical and operational functions.

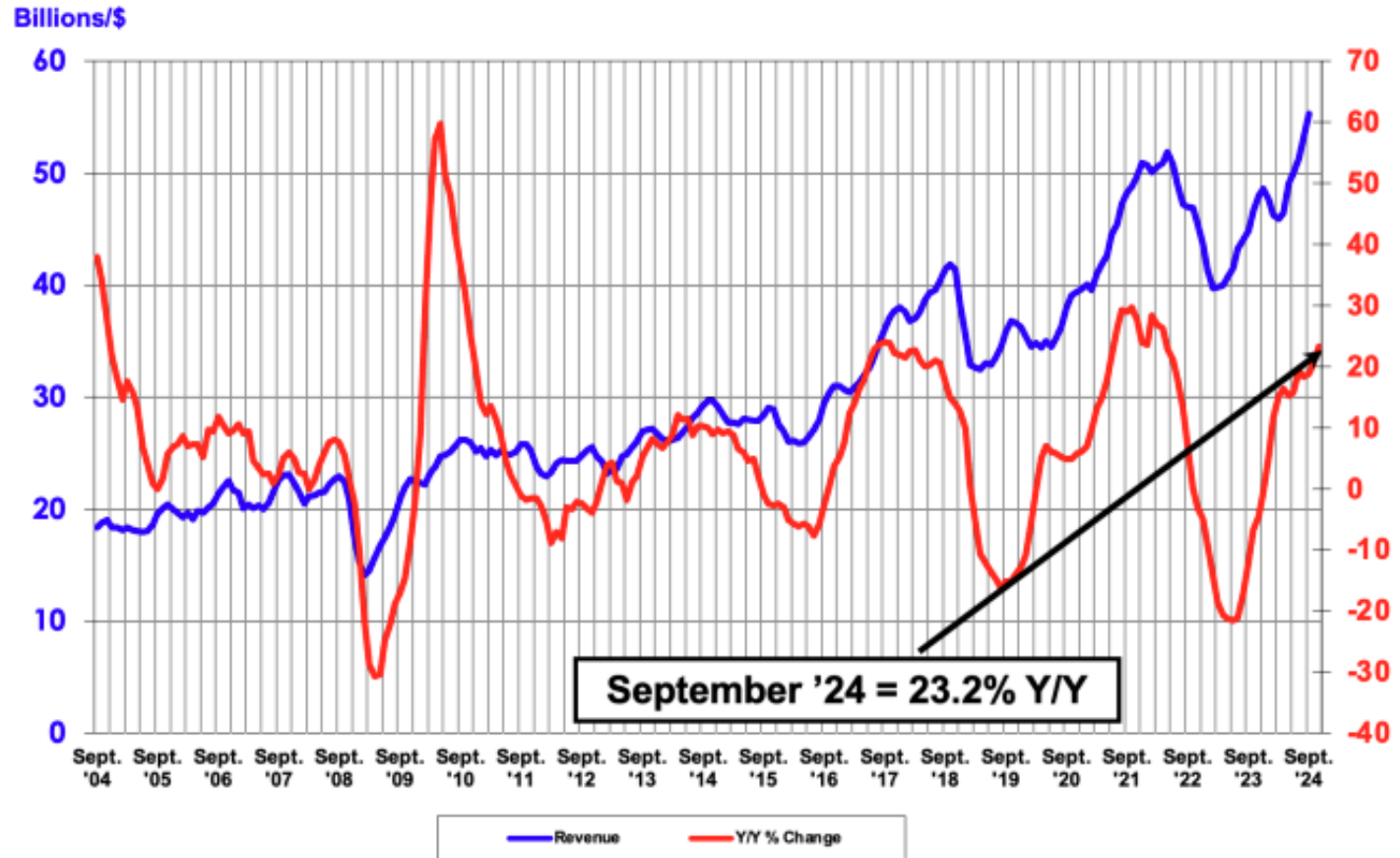
CONTINUOUS R&D



- 7%~8% of manufacturing division revenue allocated for R&D.
- Focus on semiconductor equipment, IR 4.0 and Smart Manufacturing Solutions.

Event	Planned activities and updates
QES @ Batu Kawan	<ul style="list-style-type: none"> ❖ Currently at about 87% completion, on track. ❖ To be GBI accredited conforming to ESG commitments
Board and Committee Restructuring to further comply with Malaysian Code on Corporate Governance (“MCCG”)	<ul style="list-style-type: none"> ❖ On 20 September 2024, the Audit Committee was renamed to the Audit and Risk Management Committee to further strengthen the Group’s corporate governance. ❖ On 20 September 2024, Cik Wan Fatimah Suriani was appointed as an Independent Non-Executive Director. The Group now has 33% female representation on the Board. ❖ With the changes above, QES has a more balance racial and gender diversity within the board composition; subscribing to DEI practices both at the Board and operational levels.
First Single Tier Interim Dividend for FYE 2024	<ul style="list-style-type: none"> ❖ The Board had declared an interim dividend of 0.25 sen per ordinary share on the 18th November 2024.
ISO 9001:2015	<ul style="list-style-type: none"> ❖ QES Vision Solutions Sdn Bhd was accredited with ISO 9001:2015 in September 2024

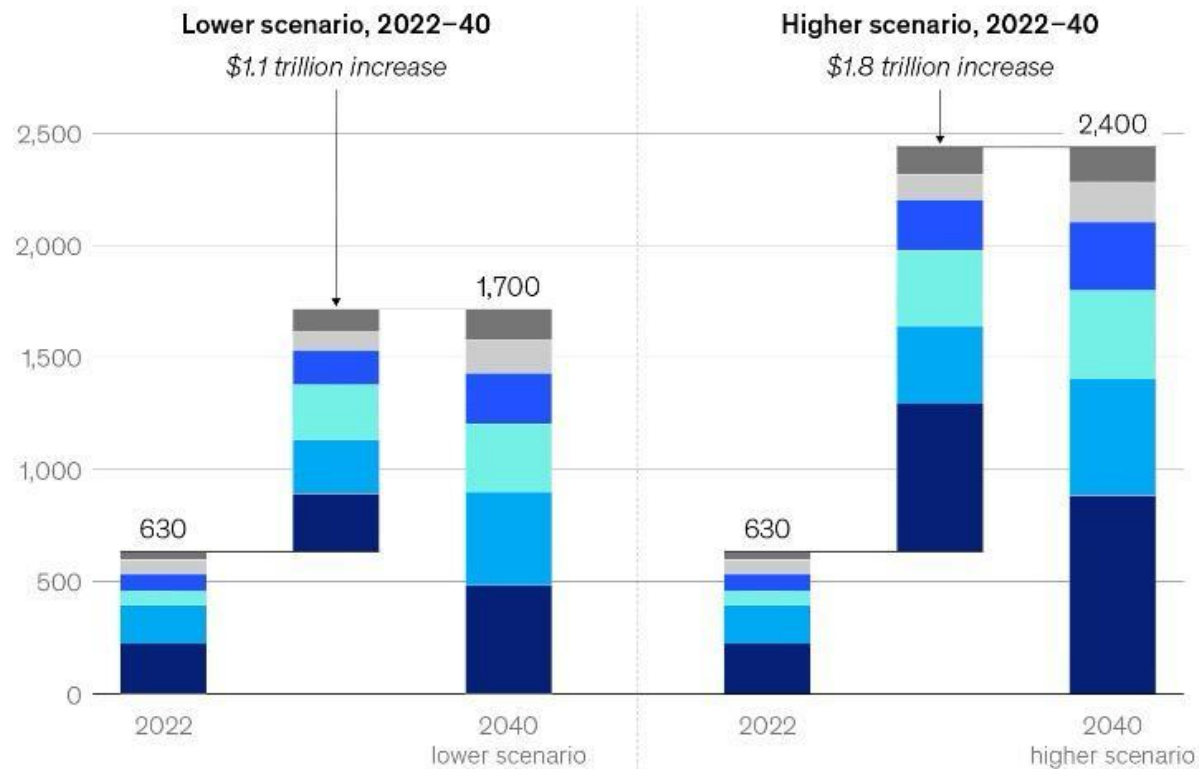
Worldwide Semiconductor Revenues Year-to-Year Percent Change



Source: WSTS

The data storage, wireless, automotive, and industrial electronics segments drive overall growth in the global semiconductor market.

Semiconductor industry revenue by segment, \$ billion



Segment	Share of 2022–40 increase, %	Revenue CAGR, 2022–40, %	Share of 2022–40 increase, %	Revenue CAGR, 2022–40, %
Wired communications	9	8	7	9
Consumer electronics ¹	8	5	6	6
Industrial electronics	14	6	13	8
Automotive	23	10	19	11
Wireless communications	22	5	19	6
Computing and data storage	24	4	37	8

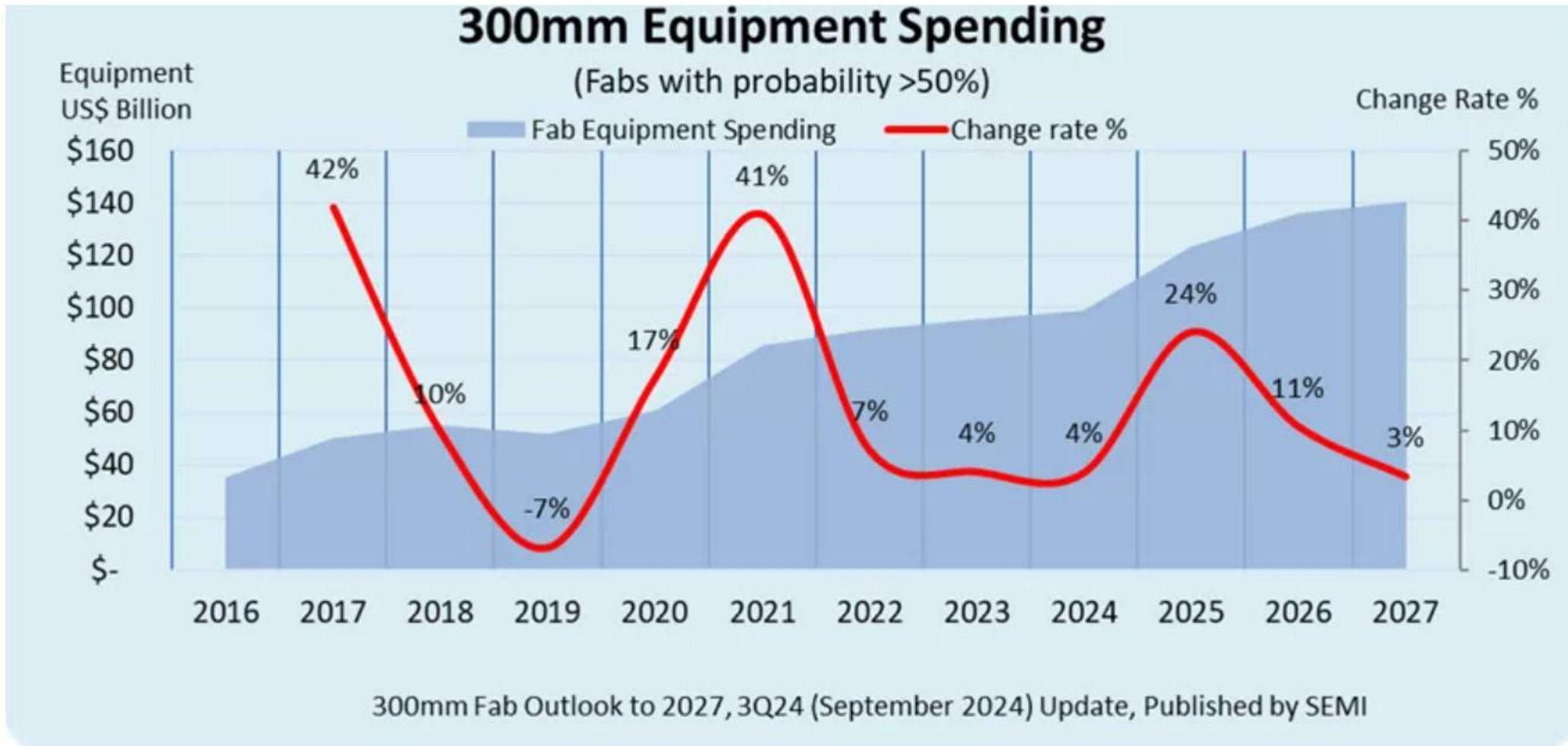
Note: Figures may not sum to 100%, because of rounding.

¹Consumer electronics consists mainly of non-mobile devices (eg, TVs, smart speakers, smart bulbs, set-top boxes).

Source: Omdia; IDC; McKinsey Global Institute analysis

McKinsey & Company

SEMICONDUCTOR MARKET OUTLOOK





Environmental

- ❖ QES promoting **WEEE/ROHS analytical equipment** to check and monitor hazardous elements (lead, mercury, cadmium etc) coming into consumer electronic products.. QES has installed more than 1,600 equipment to ensure compliances of these ozone depleting and hazardous elements. We are doing our part to ensure planet Earth is environmentally free from these hazardous elements.
- ❖ **Rain harvesting systems** installed at new QES HQ @Glenmarie & will do the same for QES 2.0 @BKIP.
- ❖ Obtaining **ISO 14001:2015** – Environmental Management System for QMC.
- ❖ Complete **digitalization** has reduced paper consumption (FY2022 – 598 reems used and FY2023 – 458 reems used – we improved by **23.1%**!
- ❖ **Installation of solar panels** at QES HQ @Glenmarie in 2023 has improved our carbon footprint as per illustration.



237 metric tons
of carbon avoidance per
annum



912,209 km
Car mileage taken
off the road for one
year



10,782
Number of trees
that absorb CO2



2,926
Number of lightbulbs
powered for one year



HARNESSING SOLAR POWER FOR A SUSTAINABLE TOMORROW



Our solar journey showcases our dedication to responsible resource management, aligning seamlessly with SDG 12's goal of promoting sustainable consumption and efficient resource utilization. We're contributing to a better future for all by embracing renewable energy and sustainable practices.



The PV System size in place is 233.2kWp with an expected output of 302,011kWh per year. With these solar panels in place, we are looking to offset 237 tonnes of carbon dioxide, which is also saving the equivalent of:-



916,137 KM OFF THE ROAD
CARS MILEAGE TAKEN OFF THE ROAD



10,828 MATURE TREES
CO2 absorption in a year.



2,939 LIGHTBULBS POWERED
Lightbulbs powered for 1 year



Social

- ❖ Gender and racial diversity within employees. Approximately **30%** female; **70%** male employee in the entire Group.
- ❖ **Health and Safety Committee** in place with **First Aid & CPR training** provided to employees annually.
- ❖ **Emergency Response Team** with Emergency Response Plan Trainings given to all members.
- ❖ **Clean, vibrant and happy** workplace at the newly renovated QES HQ @Glenmarie.



Governance

- ❖ Appropriate checks and balance via separate roles and functions of **Chairman** and **Managing Director / President**.
- ❖ Strong oversight and accountability on QES' board – consisting of **(1) Non-Independent Non-Executive Chairman, Independent Directors (2) and Executive Directors (2)**.
- ❖ Equality and diversity of the Board which comprises **(4) male directors** and **(1) female director** which consists of **(2) Malays, (2) Chinese and (1) Indian**.
- ❖ Audit, Remuneration and Nomination Committees **comprises of Independent Non-Executive Directors** only.
- ❖ Consistent quarterly investor relations updates to **shareholders** (institutional fund managers and high net worth individual shareholders)



Assuring you our best, always!

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THE END

THANK YOU

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