



[For Immediate Release]

2 November 2023

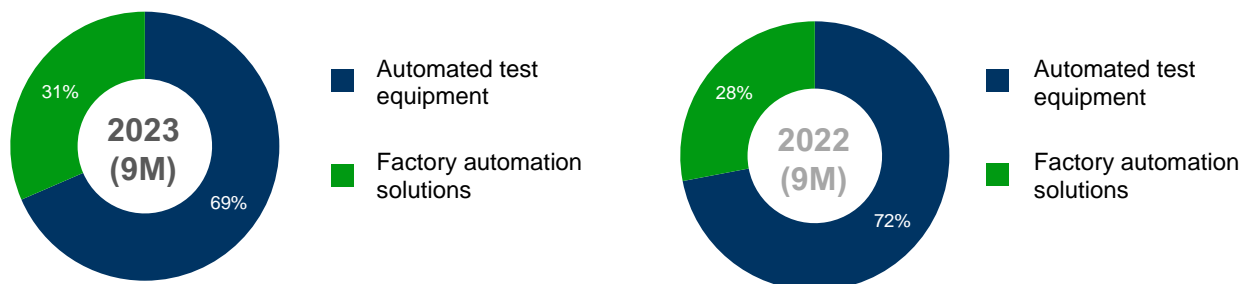
Amidst the macro environment, PIL shatters revenue record consecutively in 3 quarters of 2023

Pentamaster International Limited (“PIL” or “the Group”) which is listed under the Main Board of The Stock Exchange of Hong Kong Limited announced its financial results for the nine months period ended 30 September 2023 (“9M2023”) today. The Group recorded a revenue of MYR522.8 million with its net profit stood at MYR108.4 million, showing an improvement of approximately 15.4% and 12.0% respectively from the corresponding period last year.

Financial highlights

	9M2023 (Unaudited) MYR in thousands	9M2022 (Unaudited) MYR in thousands	Change
<i>Revenue</i>	522,836	452,928	+15.4%
<i>Gross profit</i>	155,676	140,334	+10.9%
<i>Profit for the period</i>	108,375	96,727	+12.0%
<i>Earnings per share (sen)</i>			
<i>Basic</i>	4.54	4.06	+11.8%
<i>Diluted</i>	4.54	4.06	+11.8%

Key business unit revenue and trend



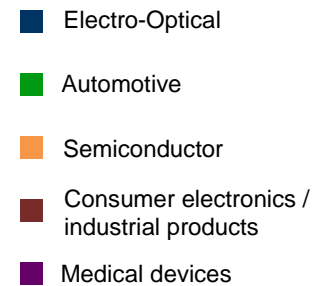
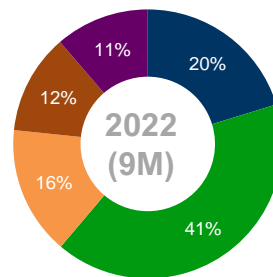
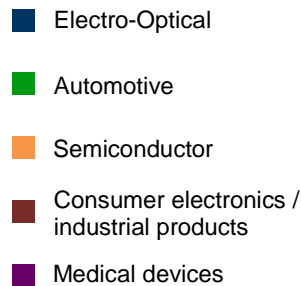
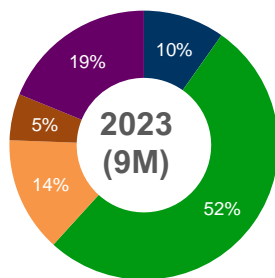
For the nine months ended 30 September 2023, the Group’s revenue was contributed by both the ATE and FAS segments, with each constituting approximately 68.5% and 31.5% respectively of the Group’s total revenue in the current period.



The below outlined the performance of the respective operating segments, which includes elements of the inter-segment transactions during the period.

	9M2023 (Unaudited) MYR in thousands	9M2022 (Unaudited) MYR in thousands	Change
<i>Revenue by operating segment</i>			
Automated test equipment			
External customers	358,277	326,305	
Inter-segment revenue	468	535	
	358,745	326,840	+9.8%
Factory automation solutions			
External customers	164,528	126,623	
Inter-segment revenue	12,315	2,598	
	176,843	129,221	+36.9%

Revenue by customer's segment



	9M2023 (Unaudited) MYR in thousands	9M2022 (Unaudited) MYR in thousands	Change
<i>Revenue by customer's segment</i>			
Automotive	271,682	185,392	+46.5%
Medical devices	98,459	51,202	+92.3%
Semiconductor	72,310	70,041	+3.2%
Electro-Optical	51,182	91,736	-44.2%
Consumer and industrial products	29,203	54,557	-46.5%



ATE segment

The Group's ATE segment remained the key segment for the Group during the Period, with its revenue achieved at MYR358.7 million for the nine months ended 30 September 2023, representing an increase of MYR31.9 million or 9.8% growth as compared to the Previous Corresponding Period. The automotive segment continued to be the leading industry segment contributing to the ATE segment with its share of wallet of approximately 74.4% for the Period, as compared to 55.2% in the Previous Corresponding Period. Specifically, the automotive segment has shown a strong double-digit growth of 48.0% within the ATE segment on a year-on-year basis. Such performance growth solidified the Group's notable breakthrough in the automotive segment which was largely attributed to the Group's comprehensive range of automotive test and assembly solutions, covering a broad customer base across the key markets in the United States, China, Japan and Europe. On the back of the structural automotive electrification trends, the Group's automotive industry segment will continue to dominate the Group's ATE segment in the near future.

Amidst the recent semiconductor industry slowdown, revenue performance from the semiconductor industry segment remained relatively stable in its contribution towards the Group's ATE segment. During the Period, the semiconductor industry segment's share of wallet stood at 18.8%, a slight decline from 21.4% in the same period last year. Anchored by the demand for the Group's legacy semiconductor handling equipment within this industry segment, the Group expects this industry segment to remain stable in the coming quarters. On the other hand, the Group's electro-optical segment has yet to witness a recovery given the dampened consumer demand in the current high inflationary scenario and the lack of smartphone feature upgrades that would entice a strong "push" for smartphone replacement. Within the context of such sentiment, revenue contribution from the electro-optical industry segment continued to decline in its contribution to the ATE segment, recording at 6.6% during the Period as compared to 20.1% achieved in the Previous Corresponding Period.



FAS segment

After witnessing a drop in revenue in the second quarter of 2023, revenue from the FAS segment gathered its pace and momentum in the third quarter of 2023, which saw a jump of 192.0% on a quarter-on-quarter basis. It was worthy to note a record quarterly revenue achieved by the FAS segment for the Period, at MYR88.3 million, as the segment's proprietary i-ARMS (intelligent Automated Robotic Manufacturing system) continued with its wider acceptance by the customers in the current automation-driven market place. Correspondingly, with a total revenue of MYR176.8 million recorded for the nine months ended 30 September 2023, the FAS segment continued its above average growth of 36.9% vis-à-vis the Group, when compared to MYR129.2 million achieved by this segment in the Previous Corresponding Period.

The medical devices industry segment continued to dominate its contribution within the FAS segment, with its share of wallet at 59.8% as compared to 32.5% in the same period last year, pointing to a remarkable growth rate of more than 100.0% on absolute revenue terms. Other industry segments, such as consumer and industrial products and electro-optical contributed approximately 17.2% and 16.9% respectively during the Period. All-in-all, the Group expects its FAS segment to continue to grow and contribute meaningfully in the near future as automation adoption across various industries gather its pace given the current deglobalisation manufacturing structure, in achieving better productivity, security, precision and scalability.

Outlook

Looking ahead, the current volatile and unstable macro environment look unlikely to abate anytime soon with the ongoing geopolitical instability across different regions and the persistent inflationary pressure. The Group, while adopting an observance stance, remains optimistic on concluding the financial year with another revenue milestone on the back of an encouraging order book from its automotive and medical devices industry segments. Benefitting from the robustness and structural shift in global automotive electrification and e-mobility, the automotive industry segment is expected to contribute the highest proportion of the Group's revenue in year 2023. Meanwhile, after recording a remarkable double-digit revenue growth for the nine months ended 30 September 2023, revenue momentum from the medical devices industry is expected to remain in propelling the Group's FAS segment to the next level of business growth for the year.

Fortified by a relatively healthy balance sheet and financial position, the construction of the Group's new manufacturing plant which is internally funded, remains on track. With phase one of the manufacturing plant expecting to be completed by end of this year coupled with the current workforce of more than 900, the Group will intensify and remain steadfast in executing its strategies, besides investing in research and development in capturing the next wave of business growth as the Group expands its manufacturing capacity and human capital. As it is, the Group's growth strategies pillar remain centred on product and segmental diversification as well as geographical expansion.



About Pentamaster International Limited

PIL (HKEX stock code: 1665) is a leading global supplier in providing automation technology and solutions to multinational manufacturers mainly in the semiconductor, automotive, electrical & electronics, medical devices and consumer industrial products sectors spanning APAC, North America and Europe. The Group's broad range of integrated automation products and solutions entails innovating, designing, manufacturing and installing automated equipment and/or automated manufacturing solutions.

To learn more about PIL, please visit us at www.pentamaster.com.my.

For media enquiries, please contact:

Email: investor.relation@pentamaster.com.my