

TARGET

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T U E S D A Y

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**PENTAMASTER INTERNATIONAL LTD:
THIS COMPANY APPEARS TO BE HEADED
FOR ELECTRIFYING PROFITS IN THE NEAR-TERM FUTURE**

**The Present Share Price Appears
To Be Dirt Cheap, All Things Considered**

On May 12, 2022, Pentamaster International Ltd (檳傑科達國際有限公司) (Code: 1665, Main Board, The Stock Exchange of Hongkong Ltd) produced its First Quarterly Results in respect of the three months, ended March 31, 2022.

At Page Two of the First Quarterly Results, some Financial Highlights were presented, to which this medium has added its own determinations:

	For The Three Months, Ended March 31		Percentage Increase/(Decrease)*
	2022	2021	
	All Figures Are Denominated In MYR'000 (Malaysian Ringgit) ¹ (except where otherwise stipulated)		
Revenue	145,990	115,059	26.88
Gross Profit	44,465	34,835	27.64
Gross Profit Margin *	30.46 percent	30.28 percent	0.59
Profit For The Period	33,174	26,509	25.14
Earnings Per Share (in sen)	1.39	1.11	25.23

* These are **TARGET**'s calculations.

¹ The Malaysian ringgit is the legal currency of Malaysia. It is divided into 100 sen.

² The present conversion rate of the Malaysian ringgit vis-à-vis to the Hongkong dollar is about MYR1= \$HK1.76.

The Total Equity (Shareholders' Funds) of Pentamaster International Ltd, as at March 31, 2022, was MYR661,781,000.00, representing an increase, over the like period in the 2021-Year, of 3.93 percent.

At Page 13 of the First Quarterly Results, Mr Chuah Choon Bin, the Chairman of the Board of Directors and an Executive Director of the Company, to boot, stated, under the heading, '**Prospect**':

‘The Group ended this quarter with a strong order on hand fuelled by a robust market sentiment that revolves around EV (Electrical Vehicles) and other industry megatrends such as Internet of Things, Industry 4.0 and the accelerating digital transformation in how global companies operate post COVID-19. Given the Group’s continuous effort in embracing a structural shift towards higher growth segments and putting in place strategies for the digital transformation, the order contribution specifically from the automotive segment saw an extensive amount of growth on the back of a wider customer base established within the segment. While the supply chain environment remains disruptive and challenging, the Group continues to work closely with both its customers and suppliers for better capacity planning and visibility.

‘The current immediate aim for the Group is to be able to deliver its order as scheduled barring any significant adverse impact from the supply chain bottlenecks, logistics constraints and geopolitical knots. Overall, the Group is optimistic on achieving another record year of business growth while placing its continuous focus on developing a broader product portfolio across key markets and segments, while upskilling its workforce. With that, the Group is establishing more business units within the organisation to provide more opportunity for career development to the next level as the Group expands its addressable markets globally’.

The 2021 Annual Report Of Pentamaster International Ltd

The principal activities of Pentamaster International Ltd are said to be:

‘A Malaysia-based investment holding company. The Company is principally engaged in designing, development and manufacturing of standard and non-standard automated test equipment; designing, development and installation of integrated factory automation solutions; and manufacturing and assembling of medical machines and manufacturing of die casting parts.

‘The Company operates through two segments: Automated test equipment and factory automation solutions. Automated test equipment segment is engaged in designing, development and manufacturing of standard and non-standard automated equipment.

‘Factory automation solutions segment is engaged in designing, development and installation of integrated factory automation solutions.

‘Its subsidiaries include Pentamaster Technology (M) Sdn. Bhd., Pentamaster Instrumentation Sdn. Bhd., Pentamaster Equipment Manufacturing Sdn. Bhd. and Pentamaster MediQ Sdn. Bhd.’

At Page Nine of the 2021 Annual Report, Chairman Chuah Choon Bin put pen to paper, so to speak, with regard to the 30 years of the Company’s ‘life’, viz. starting from the day that it took its first breath, pontificating a priori:

'Thirty years have passed in the blink of an eye. Since the inception, we have been transforming, growing in headcounts to more than 700 employees, adding on offshore offices globally and growing our revenue to more than half a billion ringgit. Our goal is to achieve revenue of a billion ringgit by 2025. It is of great pride to see how Pentamaster has grown from working capital of MYR5,000 to the size of a market capitalisation of almost MYR3 billion today, with more than 200 customers worldwide while embracing good corporate value and achieving more than what we have ever thought. We might not be the most rapidly growing company but undoubtedly, we are one of the most steadily growing companies.'

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