

Pentamaster International Limited

檳傑科達國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

(Stock code 股份代號 : 1665)

SOAR TO GREATER HEIGHTS

ANNUAL REPORT 2022 年報





Vision 我們的願景

“To be the leader and world class automation solutions provider in the global market”

「成為全球市場的領先者和世界級自動化解決方的提供者」



Mission 我們的使命

“We are committed to delivering high quality and cost-effective solutions with latest technology as well as providing value-added services to our customers and benefits to our vendors, employees and the community as a whole.”

「我們致力利用最新科技為客戶供應品質高超、成本合算的解決方案並提供增值服務，令我們的供應商、僱員以至整體社會受惠。」



About The Cover 封面資料

SOAR TO GREATER HEIGHTS 飛得更高

Pentamaster International Limited inspires each and every of its subsidiaries and stakeholders to achieve greater heights, leveraging on each other's strength across the diversified ecosystem that has been in place, across the various industries that it serves, like a twilling upward momentum spiral.

“Think Automation, Think Pentamaster” – a strong enduring vision tagline that the Company believes truly in that will continue to serve and position the Group towards a sustainable growth in the years to come, capitalising on the technology growth trend to mark the Company's global footprint and recognition as it transitions into the new technology era.

檳傑科達國際有限公司激勵其各附屬公司及持份者取得更高的成就，於其服務的各個行業多元化生態系統中利用彼此的力量，如同一個扭動上升的螺旋。

「想到自動化，就想到檳傑科達」—本公司堅信的強大而持久的願景標語，將繼續為本集團服務，並使本集團於未來幾年實現可持續增長，利用技術增長趨勢，標誌著本公司於向新技術時代過渡的全球足跡及認可。

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Chuah Choon Bin (*Chairman*)

Gan Pei Joo

Non-executive Director

Leng Kean Yong

Independent non-executive Directors

Chuah Jin Chong

Chan May May

Sim Seng Loong @ Tai Seng

董事會

執行董事

Chuah Choon Bin (*主席*)

Gan Pei Joo

非執行董事

Leng Kean Yong

獨立非執行董事

蔡仁鐘

陳美美

Sim Seng Loong @ Tai Seng



AUDIT COMMITTEE

Sim Seng Loong @ Tai Seng (*Chairman*)

Chan May May

Leng Kean Yong

審核委員會

Sim Seng Loong @ Tai Seng (*主席*)

陳美美

Leng Kean Yong

REMUNERATION COMMITTEE

Sim Seng Loong @ Tai Seng (*Chairman*)

Chuah Jin Chong

Leng Kean Yong

薪酬委員會

Sim Seng Loong @ Tai Seng (*主席*)

蔡仁鐘

Leng Kean Yong

NOMINATION COMMITTEE

Chuah Jin Chong (*Chairman*)

Sim Seng Loong @ Tai Seng

Chan May May

提名委員會

蔡仁鐘 (*主席*)

Sim Seng Loong @ Tai Seng

陳美美

AUDITOR

Grant Thornton Hong Kong Limited

Certified Public Accountants

11th Floor, Lee Garden Two

28 Yun Ping Road

Causeway Bay

Hong Kong

核數師

致同(香港)會計師事務所有限公司

執業會計師

香港

銅鑼灣

恩平道28號

利園二期11樓

COMPANY SECRETARY

Tsui Sum Yi

公司秘書

徐心兒

CORPORATE INFORMATION

公司資料

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

REGISTERED OFFICE

PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN MALAYSIA

Plot 18 & 19, Technoplex
Medan Bayan Lepas
Taman Perindustrian Bayan Lepas
Phase IV, 11900 Penang
Malaysia

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1901, 19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Malayan Banking Berhad
United Overseas Bank (Malaysia) Berhad
AmBank (M) Berhad
Public Bank Berhad

COMPANY WEBSITE

www.pentamaster.com.my

STOCK CODE

1665

香港股份過戶及登記分處

卓佳證券登記有限公司
香港
夏慤道16號
遠東金融中心17樓

註冊辦事處

PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

總部及馬來西亞主要營業地點

Plot 18 & 19, Technoplex
Medan Bayan Lepas
Taman Perindustrian Bayan Lepas
Phase IV, 11900 Penang
Malaysia

香港主要營業地點

香港
銅鑼灣
希慎道33號
利園一期19樓1901室

主要往來銀行

中國銀行(香港)有限公司
馬來西亞銀行
馬來西亞大華銀行
AmBank (M) Berhad
大眾銀行

公司網站

www.pentamaster.com.my

股份代號

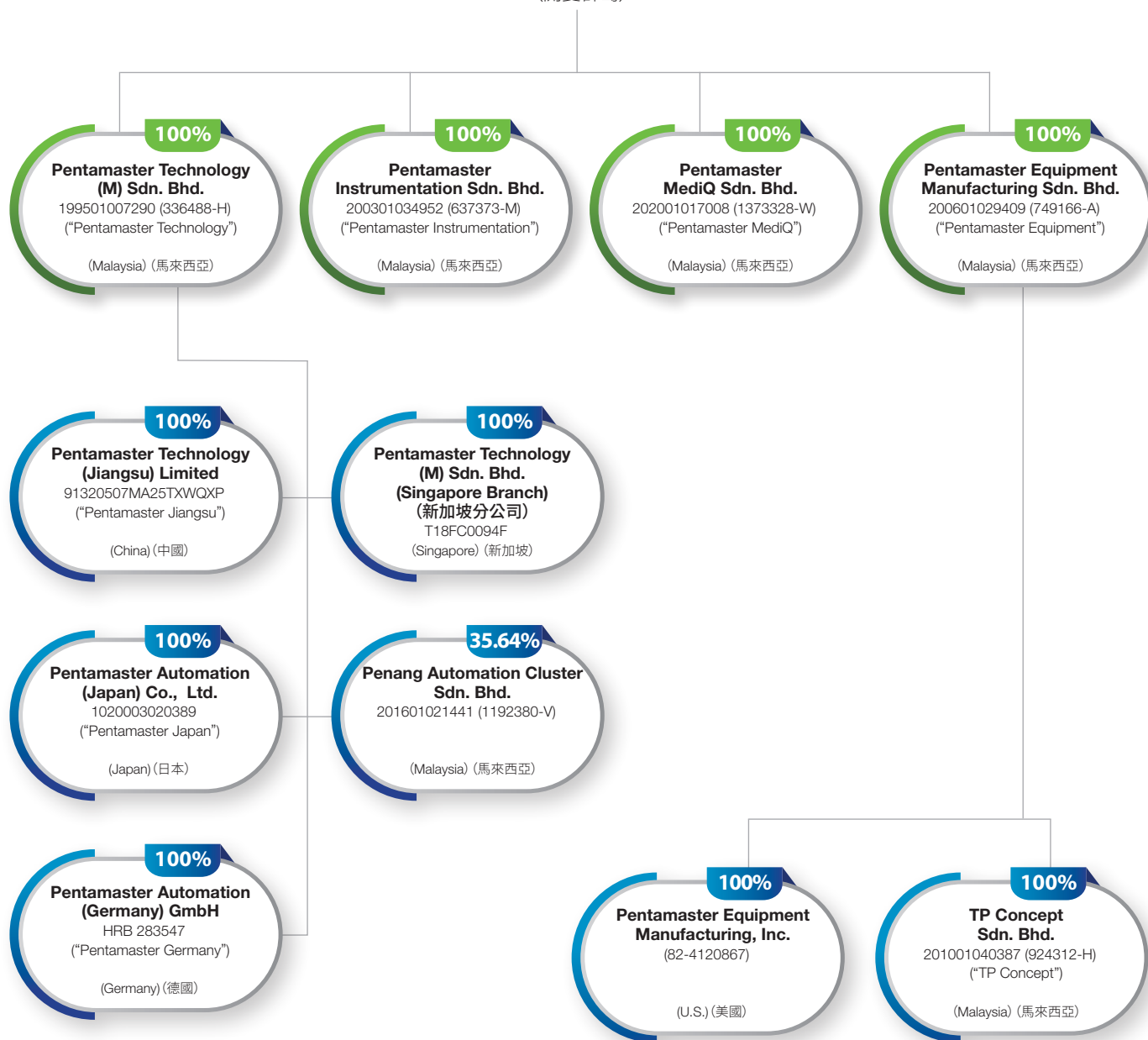
1665

CORPORATE STRUCTURE

公司架構

PENTAMASTER INTERNATIONAL LIMITED (the “Company”) 檳傑科達國際有限公司 (「本公司」)

(MC-323853)
 (Cayman Islands)
 (開曼群島)



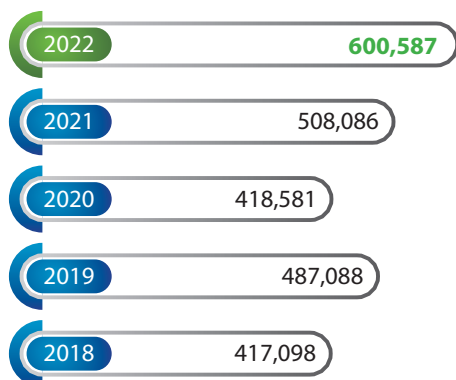
FINANCIAL SUMMARY

財務摘要

		2022 2022年 MYR'000 千令吉	2021 2021年 MYR'000 千令吉	2020 2020年 MYR'000 千令吉	2019 2019年 MYR'000 千令吉	2018 2018年 MYR'000 千令吉
RESULTS (Audited)	業績 (經審核)					
Revenue	收益	600,587	508,086	418,581	487,088	417,098
Profit before taxation	除稅前溢利	134,758	120,574	114,804	139,180	105,366
Profit after taxation	除稅後溢利	133,301	116,744	113,921	131,381	100,009
Profit attributable to:	以下應佔溢利：					
Owners of the Company	本公司擁有人	133,301	116,744	113,921	131,381	100,009
ASSETS AND LIABILITIES	資產及負債					
Total assets	總資產	1,001,661	825,080	659,276	578,357	497,947
Total liabilities	總負債	264,948	188,337	125,731	139,434	177,568
Net assets	資產淨值	736,713	636,743	533,545	438,923	320,379

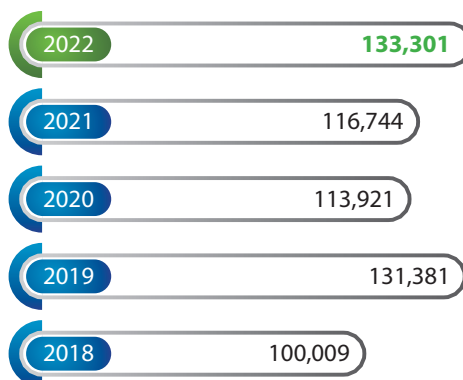
REVENUE 收益

(MYR'000) (千令吉)



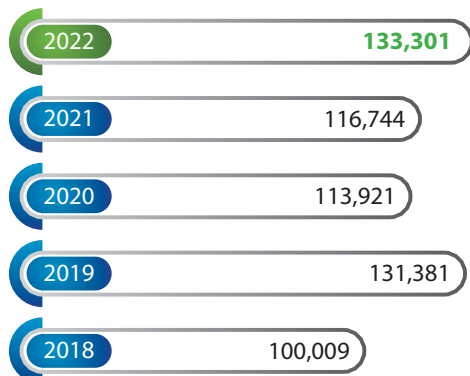
PROFIT AFTER TAXATION 除稅後溢利

(MYR'000) (千令吉)



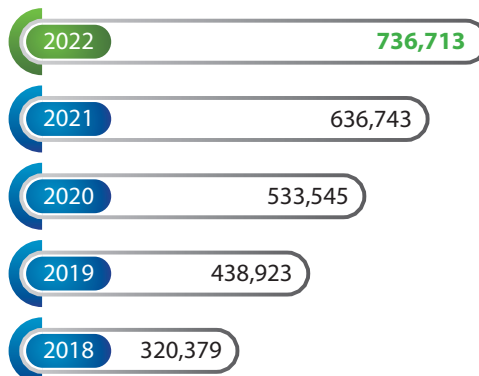
PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY 本公司擁有人應佔溢利

(MYR'000) (千令吉)



NET ASSETS 淨資產

(MYR'000) (千令吉)



CHAIRMAN'S STATEMENT 主席報告



CHUAH CHOON BIN
Executive Chairman
執行主席

Dear Shareholders,

In 2022, Malaysia (and most countries) transitioned to an endemic phase after two years of COVID-19 pandemic, which posed significant challenges to the country, to the people and the business environment as a whole. The Company and its subsidiaries (collectively, “we”, “us”, “our” or the “Group”) was not spared as we faced multiple challenges from capacity limitation to supply chain volatility and from logistical disruptions to operational difficulties. Further stressing the endemic phase recovery was the geopolitical tension between major superpowers which has continued to impact global economies negatively and led us to the current inflationary environment with the rising material costs and other indirect costs. With all these headwinds, nevertheless, I am proud of my team in steering the Group to achieve a remarkable milestone with a record revenue in our 32 years of operation. For the first time, the Group’s revenue exceeded MYR600 million, a double-digit commendable 18.2% year-on-year growth rate, with profit after taxation stood at MYR133.3 million. The journey towards this achievement was not easy and I am really appreciative and thankful to my team, my customers, my suppliers and all other stakeholders in supporting me in facing the challenges together to making this milestone possible.

各位股東：

2022年，馬來西亞（及大部分國家）在經歷兩年COVID-19疫情後過渡到流行病階段，對國家、人民及整個商業環境構成重大挑戰。本公司及其附屬公司（統稱「我們」、「我們的」或「本集團」）亦未能倖免，我們面臨從產能限制到供應鏈波動以及從物流中斷到營運困難的多重挑戰。除流行病階段復甦外，主要超級大國之間的地緣政治緊張局勢亦繼續對全球經濟產生負面影響，導致我們處於目前的通脹環境，材料成本及其他間接成本不斷上升。儘管面對該等不利因素，但本人仍為我們的團隊感到自豪，彼等帶領本集團在32年的經營中實現收入創紀錄的非凡里程碑。本集團的收入首次突破600百萬令吉，達成按年18.2%的兩位數增長率，僅得表揚，除稅後溢利達133.3百萬令吉。實現此成就的過程並不容易，本人非常感謝我們的團隊、客戶、供應商以及所有其他持份者支持本人共同面對挑戰，讓此里程碑成為可能。

CHAIRMAN'S STATEMENT

主席報告

THE YEAR IN REVIEW

The Group witnessed year-on-year revenue growth in most of its business segments in the financial year 2022. Specifically, the automotive and medical devices segments witnessed extraordinary growth trend above the rest, at 144.3% and 188.7% respectively, on a year-on-year basis. The Group's strategic business plan in diversifying across different industries and segments, and moving towards higher value added product and solutions have paid off slowly and propelled the Group to achieve such double digit growth rate.

In 2022, the automotive segment formed the largest share of wallet to the Group's revenue at 42.4%. The growth was driven by an industrial structural shift in the automotive segment as global automotive and its related component companies engaging more actively for our complete solution product line, from front-end wafer level burn in tester to back-end module burn in test handler involving silicon carbide ("SiC") and integrated power modules. In contrast, our electro-optical industry's revenue contribution dropped to 19.5% in 2022, a decrease of 47.4% from the previous year, as the smartphone and consumer electronics market lack catalyst to spur demand consumption, especially more so in the current economic uncertainty and inflationary environment.

Aside from automotive, our medical devices segment witnessed admirable growth as well during the year, with its contribution to the Group's revenue increasing to 14.1% from 5.8% in 2021. This was driven by the Group's factory automation solutions for the healthcare industry and intravenous catheter ("IVC") assembly machine. Such demand in a highly regulated industry also speaks volume of the Group's capabilities of our products and solutions. Looking ahead, we expect the demand for our intelligent Automated Robotic Manufacturing System ("i-ARMS") factory automation solutions from the medical device segment to continue to grow in 2023. This expectation is based on our customers' plant expansion plans in production capacity, which require additional manufacturing automation line. Besides the medical devices segment, our i-ARMS for factory automation solutions has started to make inroads into food and beverage and automotive segments. We believe that this segmental expansion will contribute positively to the growth of our factory automation solutions division and we expect this contribution to grow to 40% of the Group's revenue in the immediate term.

回顧年度

於2022財政年度，本集團大部分業務分部的收入實現按年增長。尤其是，汽車及醫療分部的顯著增長明顯高於其他分部，按年分別增長144.3%及188.7%。本集團在不同行業及分部多元化發展，並轉向更高附加值的產品及解決方案的策略業務計劃逐步取得回報，帶動本集團實現雙位數增長率。

於2022年，汽車業務佔本集團收入的最大部分，為42.4%。增長由汽車分部的產業結構轉變帶推，原因為全球汽車及其相關零部件公司更積極地從前端晶圓預燒測試器到後端模塊預燒測試處理器參與我們涵蓋碳化矽（「SiC」）及集成功率模塊的完整解決方案產品線。相比之下，2022年光電行業收入貢獻下降至19.5%，較上一年度減少47.4%，原因為智能手機及消費電子市場缺乏刺激需求消費的催化劑，尤其是在目前經濟不明朗及通貨膨脹的環境下更甚。

除汽車外，我們的醫療設備分部亦在年內取得驚人增長，其對本集團收入的貢獻由2021年的5.8%增加至14.1%。有關增加由本集團針對醫療保健行業的工廠自動化解決方案及靜脈導管（「IVC」）組裝機帶動。受高度監管的行業中，有關需求亦充分說明了本集團產品及解決方案的實力。展望未來，我們預期醫療設備分部對智能自動化機器人製造系統（「i-ARMS」）工廠自動化解決方案的需求將於2023年繼續增長。該預期乃基於我們客戶的廠房產能擴建計劃得出，該計劃需要額外自動化生產線。除醫療設備分部外，我們用於工廠自動化解決方案的i-ARMS已開始進軍食品飲料及汽車分部。我們相信，該分部擴充將對工廠自動化解決方案分部的增長作出正面貢獻，我們預期此貢獻將在短期內增長至佔本集團收入的40%。

CHAIRMAN'S STATEMENT

主席報告

INITIATIVES FOR GROWTH

The Group has been growing organically throughout the years and as we reach certain platform, we do not discount the importance of geographical expansion in a risk-adverse mode given the current deglobalisation and bipolarisation environment. In this context, in addition to our existing presence outside of Malaysia in the United States, China, Japan and Singapore, we have established our sales and service office in Germany in quarter 1 of 2023 with plans to establish offices in Indonesia and the Middle East as our next geographical footprint. Having said that, our immediate growth strategy is to capitalise on the growth momentum in the automotive and medical segments.

In the automotive segment, we will leverage our expertise and know-how in integrated power module to meet higher market demand for SiC and integrated power module with our comprehensive end-to-end solutions. We are proud to have developed a proprietary SiC wafer burn-in system, being one of the top four manufacturers in the world, in creating a niche market space for this growth sub-segment and to solidify our position in the automotive industry.

Likewise for our medical segment, we intend to maximise our investment in TP Concept to expand our technological know-how and capabilities in our i-ARMS solutions for medical automation and healthcare industry. We will also be moving down the value chain in developing our own single-use medical devices for the medical industry as OEM (original equipment manufacturer) and ODM (original design manufacturer). We also plan to achieve growth by hiring experienced engineers in medical field and expanding our geographical coverage into key markets such as the United States, India, Indonesia, the Middle East and China.

增長措施

多年來，本集團一直有機增長，隨著我們達到一定水平，鑑於目前去全球化及兩極化環境，我們不會低估以風險規避模式進行地域擴充的重要性。在此背景下，在馬來西亞以外，除我們於美國、中國、日本及新加坡的現有業務外，我們亦已於2023年第一季度在德國設立銷售及服務辦事處，並計劃在印尼及中東設立辦事處作為我們的下一個地域足跡。儘管如此，但我們的短期增長策略仍為利用汽車及醫療分部的增長勢頭。

就汽車分部而言，我們將利用我們在集成功率模塊方面的專業知識及專有技術，透過我們的全面端到端解決方案，滿足市場對SiC及集成功率模塊的更高需求。作為世界四大製造商之一，我們對能夠開發出專有的SiC晶圓預燒系統，為此增長細分市場創造利基市場空間，並鞏固我們在汽車行業的地位感到自豪。

同樣地，就我們的醫療分部而言，我們有意盡量增加我們對TP Concept的投資，以擴展我們在醫療自動化及醫療保健行業的i-ARMS解決方案中的技術知識及能力。我們亦將沿著價值鏈向下移動，作為OEM（原設備製造商）及ODM（原設計製造商），為醫療行業開發我們自有的一次性醫療設備。我們亦計劃透過聘請醫療領域中經驗豐富的工程師，並將我們的地理覆蓋範圍擴大到美國、印度、印尼、中東及中國等主要市場，以實現增長。

CHAIRMAN'S STATEMENT

主席報告

Lastly, to further support the growth plans that we have outlined, our third plant measuring approximately 600,000 square feet on a 12-acre industrial land will have its phase one targeted to be up by end of 2023 and phase two in second half of 2024. This new manufacturing facility will provide the Group with the much needed space for research laboratories, manufacturing floors and offices for increased production capacity, research and development activities and engineering staffing.

APPRECIATION

I would like to express my gratitude to all the employees who have contributed greatly to the success of our Company. Your hard work and sacrifices have been instrumental in our growth and we recognise that you are our key assets and enablers.

I also extend my appreciation to the Board members for their invaluable support and guidance, which have been crucial in driving our progress.

Furthermore, I would like to thank our suppliers for their contribution to our Company's success. The supply chain ecosystem is an integral part of our operations and we appreciate your efforts in making us whole.

Lastly, I am grateful to my almighty God, who has blessed us with wisdom and opportunities that have enabled us to achieve our goals. Your blessings have been instrumental in our journey towards success.

最後，為了進一步支持我們概述的增長計劃，我們位於12英畝工業用地的第三間工廠佔地約600,000平方尺，第一階段的目標為於2023年底前完成，第二階段於2024年下半年完成。此全新製造設施將為本集團提供研究實驗室、製造樓層及辦公室所急需的空間，以增加生產能力、研發活動及工程人員。

感謝

本人謹此感謝所有為本公司成功作出巨大貢獻的員工。閣下的辛勤工作及犧牲對我們的增長非常重要，我們深明閣下為我們的重要資產及推動者。

本人亦感謝董事會成員的寶貴支持及指導，其對推動我們進步而言至關重要。

此外，本人謹此感謝我們的供應商為本公司成功所作出的貢獻。供應鏈生態系統為我們營運不可或缺的一部分，我們感謝閣下為讓我們變得完整所作出的努力。

最後，本人感謝全能的上帝賜予我們智慧及機會，讓我們能夠實現目標。祂的祝福在我們走向成功的道路上非常重要。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

Looking back in 2022, it was a year of transition as Malaysia transitioned to an endemic phase after two arduous years of COVID-19 pandemic. The first half of the financial year remained challenging to the Group's operating environment due to the effects of post COVID-19 as the Group managed to embrace and adapt to these challenges gradually and sustainably. Key to these challenges were the volatility in global supply chain, including but not limited to constrained cargo capacity and logistical challenges, and the continued rise in cost of materials from the global demand and supply equilibrium. The challenges over the year was further compounded by the ongoing conflict between Russia and Ukraine, together with the geopolitical tension between the United States and China, which has not only triggered a global price fluctuation in key material and commodities, but also raised the growing risk of economic fragmentation and uncertain trade relations. Given the aforementioned operating environment, the Group's revenue exceeded MYR600 million for the first time, chalking a new revenue record.

For financial year ended 2022, the Group reported MYR600.6 million revenue, which represented a double-digit growth of 18.2% as compared to 2021. Such revenue milestone demonstrated how the Group has grown by a magnitude of almost 10 times in just over a decade, where in 2012 the Group's revenue only stood at MYR56.9 million. In tandem with the record revenue, the profit after taxation of the Group stood at MYR133.3 million, which was also a new record after topping its previous record of MYR131.4 million attained in 2019, registering an improvement of 14.2% in comparison to 2021. Overall, such encouraging financial performance demonstrated the Group's business strategies and its sustainable focus approach in pre- and during the peak of the COVID pandemic, as well as in the aftermath as the world herald a return to "normalcy" in the second half of 2022.

業務回顧

回顧2022年，其為馬來西亞於經歷兩年艱難的COVID-19疫情後過渡至風土病階段的一年。由於受COVID-19後的影響，本集團的經營環境於本財政年度上半年仍然充滿挑戰，原因為本集團設法逐步及可持續地接受及適應該等挑戰。該等挑戰的關鍵為全球供應鏈的波動，包括但不限於貨運能力受限及物流挑戰，以及全球供需平衡導致材料成本持續上升。俄烏衝突持續以及中美地緣政治局勢緊張進一步加劇過去一年的挑戰，這不僅引發全球關鍵材料及大宗商品的價格波動，其亦加劇經濟分散及貿易關係不確定的增長風險。鑒於上述經營環境，本集團的收益首次突破6億令吉，創下新的收益記錄。

截至2022財年，本集團錄得收益600.6百萬令吉，與2021年相比實現18.2%的兩位數增長。有關收益里程碑證明本集團如何於短短十年內增長近10倍，而本集團於2012年的收益僅為56.9百萬令吉。在錄得收益創新高的同時，本集團的除稅後溢利為133.3百萬令吉，其亦為繼2019年創下131.4百萬令吉的記錄後的新記錄，與2021年相比增長14.2%。整體而言，該等令人鼓舞的財務業績表明本集團於COVID疫情前及疫情高峰期以及在2022年下半年世界預示回歸「常態」後的業務戰略及其可持續發展重點方法。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In the year under review, the Group witnessed year-on-year revenue growth in most of its business segments. Notably, the revenue momentum from both the automotive and medical devices segments saw explosive growth year-on-year at a level of 144.3% and 188.7% respectively. Over the last five years, the Group has been strategically implementing its structural shift towards higher growth segments, namely the automotive and medical devices segment to diversify its revenue base and exposure. In today's context, the extensive amount of revenue contribution from the automotive segment speaks volume of the market acceptance of the Group's comprehensive product portfolio for the automotive industry. On the other spectrum, the Group's electro-optical segment and consumer and industrial products segment contracted by 47.4% and 24.3% respectively in 2022 as compared to 2021.

Given the robustness in automotive electrification, the Group's exposure in the automotive segment increased to 42.4% of total revenue, forming the largest share of wallet for the Group in 2022. During the year, the Group experienced a pick-up demand for its broad portfolio of automotive test solutions, in particular its front-end wafer level burn in tester for SiC and back-end solutions for integrated power modules. Such growth in demand for the Group's products and solutions aligned well with the opportunity presented by the global structural shift towards sustainable e-mobility with more stringent decarbonisation target. With more major second-tier automotive component suppliers committing significant capital spending towards such focus, such scenario bodes well for demand of the Group's automotive test solutions. As it is, the Group has been securing new customers in the automotive space and is well positioned to continue to capture a greater share in the automotive addressable market. Estimates from integrated design manufacturer that semiconductors content per each electric vehicle ("EV") is roughly 2x that of conventional combustion engine vehicle. Additionally, automotive semiconductors must retain high level functionality that can withstand extreme environments besides having longer life-span cycle. Market size wise, the EV market was only 8% of total automotive industry market share in 2021. With the decarbonisation targets set, coupled with government policies in place, the market size for EV could hit 6x from 2021 level in 2030. In current worldwide supply chain disruptions alongside auto chip shortages, capacity expansions and planning by global automotive companies for such structural evolution bodes well for the Group.

於回顧年內，本集團大部分業務分部的收益均實現同比增長。值得注意的是，汽車及醫療設備分部的收益增長勢頭分別達至144.3%及188.7%的同比爆炸式增長。過去五年間，本集團一直戰略性地實施結構性轉移，轉至增長較高的領域，即汽車及醫療設備領域，以實現其收益基礎及風險敞口多元化。時至今日，來自汽車分部的大量收益貢獻充分說明本集團於汽車行業的綜合產品組合的市場接受度。另一方面，與2021年相比，本集團於2022年的電光分部以及消費者及工業產品分部分別收縮47.4%及24.3%。

鑒於汽車電氣化的強勁勢頭，本集團於汽車分部的敞口增加至總收益的42.4%，成為本集團2022年收益的最大份額。年內，本集團經歷其廣泛的自動化測試解決方案組合需求回升，尤其是碳化矽的前端晶圓級老化測試儀及集成功率模塊的後端解決方案。對本集團產品及解決方案的需求增長與全球結構性轉移可持續電動汽車以及更嚴謹的脫碳目標所帶來的機遇相吻合。隨著更多主要的二線汽車零部件供應商因此投入大量資本支出，這對本集團的汽車測試解決方案的需求帶來好勢頭。事實上，本集團一直在汽車領域獲得新客戶，並有能力繼續在汽車潛在市場中佔據更大份額。據集成設計製造商估計，每輛電動汽車（「電動汽車」）的半導體含量約為傳統內燃機汽車的兩倍。此外，汽車半導體必須保持高度功能性，除具有較長的壽命週期外，亦須保持能夠承受極端環境。從市場規模來看，電動汽車市場於2021年僅佔汽車行業總市場份額8%。隨著脫碳目標的制定，加上政府政策的制定，電動汽車的市場規模於2030年可能會達至2021年的6倍。於現時全球供應鏈中斷及汽車晶片短缺的情況下，全球汽車公司為有關結構性演變進行的產能擴張及規劃對本集團而言屬好預兆。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

After dominating the Group's revenue for five years consecutively since 2017, the electro-optical industry's revenue contribution dropped to 19.5% in 2022 as opposed to 43.9% in 2021. This represented an overall decrease of 47.4%. As it is, the smartphone market exhibited insufficient impetus in driving demand, given low users' adjustments and replacement, and lack of new smart sensors' development. The overall industry's muted performance is also the result of inflation and component shortages, besides geopolitical tension that led to most of the smartphone brand makers re-adjusting its inventory and supply chain in de-globalising their respective operations. During the year under review, demand for the Group's existing smart device test solutions were mainly confined to module upgrade and conversion kits. However, in the near term, the smartphone brand makers are seen focusing and improving on optical imaging performance and along with this development, the Group is witnessing a short-term shift towards optical imaging technology and sensors, with a broader adoption of optoelectronics across the electronic hardware. According to Transparency Market Research, the global optoelectronics market is still estimated to grow at a CAGR (Compound Annual Growth Rate) of 9.1% from 2022 to 2031, supported by increased usage in communication systems, displays, remote sensing, optical storage and cameras. As this trend continues, the Group is working on certain prototype projects for new sensors application in the next-generation smartphone and its peripherals.

After witnessing a decline in revenue contribution last year, the medical devices segment marked a turnaround during the year and grew at an accelerated pace. With its contribution to the Group's revenue at 14.1% from 5.8% in 2021, this year saw the demand for the Group's automation solution from the healthcare industry and IVC assembly machine trending up. Consequently, revenue from this segment rose encouragingly year-on-year by 188.7%. Capitalising on the technical expertise of TP Concept following its acquisition in 2019, the Group benefitted from the growing trends of automation in the healthcare sector and is set to embrace more opportunities from the revolution in medical automation. Given the rise of data-driven physicians, advances connected to robotics, artificial intelligence and machine learning will continue to change the healthcare sector. It is estimated that a third of more than U.S. Dollar 4 trillion healthcare market size could be automated and be replaced by technologies. McKinsey predicted that as much as half of current healthcare work activities will be automated by 2055.

自2017年起連續五年主導本集團的收益後，電光行業的收益貢獻於2022年下降至19.5%，而2021年則為43.9%，整體下降47.4%。目前，由於用戶的調整及更換率低，以及缺乏新的智能傳感器的發展，智能手機市場表現出推動需求的動力不足。整體行業表現低迷亦為通脹及零部件短缺的結果。此外，地緣政治局勢緊張導致大部分智能手機品牌製造商重新調整其庫存及供應鏈，以實現其各自業務的去全球化。於回顧年度內，對本集團現有智能設備測試解決方案的需求主要限於模組升級及轉換套件。然而，在短期內，智能手機品牌製造商被認為關注及改善光學成像性能，本集團正隨此發展見證短期內轉移至光學成像技術及感測器，電子硬件更廣泛地採用電光技術。根據Transparency Market Research的數據，在通信系統、顯示器、遙感、光學存儲及照相機的使用增加的支持下，估計全球電光市場於2022年至2031年仍將以9.1%複合年增長率增長。隨著趨勢持續，本集團正在就下一代智能手機及其周邊產品的新傳感器應用開發若干原型項目。

在經歷去年收益貢獻下降後，醫療設備分部於年內出現轉機，並以迅速的速度增長。憑藉其對本集團收益的貢獻由2021年的5.8%增加至14.1%，本年度本集團來自醫療行業及IVC組裝機的自動化解決方案的需求呈上升趨勢。因此，該分部的收益大幅同比增長188.7%。於2019年收購TP Concept後，利用其技術專長，本集團受益於醫療行業自動化的增長趨勢，並將從醫療自動化改革中獲得更多機會。鑒於數據驅動的醫生的興起，與機器人技術、人工智能及機器學習相關的發展將繼續改變醫療保健行業。估計超過4萬億美元的醫療保健市場規模中有三分之一可實現自動化及被技術取代。McKinsey預測，多達一半的當前醫療保健工作活動將於2055年之前實現自動化。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As for the progress of the business activity involving the single-use medical devices under Pentamaster MediQ, a subsidiary company which was incorporated in 2020, the Group is heartened to witness the completion of the IVC prototyping and given this development, the Group is set to undergo the conformity and qualification process to be approved by the relevant approving authority in due course. Post qualification, the Group will exploit its strength in medical automation to manufacture on an OEM (original equipment manufacturer) and ODM (original design manufacturer) basis for its single-use medical devices.

In the context of the Group's revenue exposure in the semiconductor segment, after reporting three consecutive years of revenue growth, the Group continued to witness a year-on-year growth of 15.9% with its revenue contribution rate of 14.0% in 2022. The increasing value and content of semiconductors in general from the acceleration of digital transformation basically augmented demand for the Group's test handling equipment during the year. At the heart of the present digital revolution, semiconductor industry is seen evolving at a relentless pace where efforts are aimed at improving the performance of the semiconductor chips, thereby creating the structural change and continuous demand in the test handling equipment market. With the semiconductor market set to hit a trillion U.S. Dollar by 2030, the sectors that will continue to see robust growth with continuous Moore's law are witnessed in data storage, wireless communication, automotive and industrial electronics. Notwithstanding the cyclical nature of the semiconductor industry due to the investment trend and inventory cycle of the semiconductor companies, as long as the digital revolution is here to stay in propelling the semiconductor performance evolution and application expansion, the demand for the Group's legacy product portfolio within this segment will continue in a sustainable manner.

就Pentamaster MediQ (一間於2020年註冊成立的附屬公司) 旗下涉及單一用途醫療設備的業務活動進展而言，本集團對於見證IVC原型設計的完成感到高興，鑒於此發展，本集團將於適當時候接受相關審批機構的合格及認證程序。取得資格後，本集團將發揮其於醫療自動化方面的優勢，以OEM (原始設備製造商) 及ODM (原始設計製造商) 的方式生產其單一用途醫療設備。

就本集團於半導體分部的收益敞口而言，於錄得連續三年的收益增長後，本集團繼續見證15.9%的同比增長，2022年的收益貢獻率為14.0%。年內，隨著數碼轉型加速，半導體的價值及含量普遍增加，基本上增強對本集團的測試處理設備的需求。正值數碼改革的期間，半導體行業正在急速發展，旨在努力提高半導體晶片的性能，從而在測試處理設備市場上創造結構性變化及持續需求。隨著半導體市場將於2030年達至1萬億美元，在資料存儲、無線通訊、汽車及工業電子領域將繼續保持摩爾定律的強勁增長。儘管半導體公司的投資趨勢及存貨週期導致半導體行業具有週期性，只要數碼改革繼續推動半導體性能演變及應用擴展，本集團於該分部的傳統產品組合的需求將以可持續的方式繼續。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Revenue from the consumer and industrial products segment grew by 43.3% in the first half of 2022 as compared to the first half of 2021. However, the revenue pace from this segment decelerated in the second half of the year specifically in the fourth quarter following the massive and sequential deployment of the Group's proprietary i-ARMS that was recognised in the first half of the year. It is worthy to note the production cycle time for i-ARMS to be deployed in the consumer and industrial products are typically longer versus other business segments. Regardless, the Group believes the sluggish demand from this segment to be temporary given the rising emphasis in industrial automation as Industry 4.0 continue to be in focus for increase in efficiencies and operational excellence. To this end, the Group anticipates the market demand for its i-ARMS from this segment to rebound in 2023. Such sentiment is established based on the various plant expansion plans in production capacity undertaken by its customers which requires manufacturing automation.

While globally 2022 was yet another challenging year, for the Group it was encouraging to witness progress with various record milestones and performances coupled with new technologies and initiatives. Given the multifaceted headwinds witnessed since the pandemic outbreak, the Group has once again demonstrated its perseverance and adaptability by sharpening its focus towards its business strategies and fundamental priorities, such as managing the supply chain disruptions and safeguarding the wellbeing of its employees. Learning from the past and picking up from where it has left, it was worthy to mention that the Group's performance in 2022 was not solely due to the overall recovery in the economy but the agility and resiliency of the Group's business model and value creation that had enabled the Group to maintain a sustainable path of growth amidst a global tailspin.

與2021年上半年相比，2022年上半年來自消費品及工業產品分部的收益增長43.3%。然而，於今年上半年確認本集團的專有i-ARMS的大規模及連續部署後，該分部的收益增長速度於下半年放緩，特別是第四季度。值得注意的是，與其他業務分部相比，i-ARMS部署於消費者及工業產品中的生產週期時間一般較長。然而，鑒於工業4.0繼續成為提高效率及卓越運營的焦點，工業自動化的重要性不斷提高，本集團相信該分部的需求低迷僅屬暫時性。就此，本集團預計對其來自該分部的i-ARMS的市場需求將於2023年有所回升。有關氣氛乃建基於其客戶進行的各種產能擴張計劃的基礎上，各種產能擴張計劃需要製造自動化。

儘管2022年亦為全球充滿挑戰的一年，惟對於本集團而言，見證各種創紀錄的里程碑及表現以及新的技術及舉措取得進展令人鼓舞。鑒於自疫情爆發以來出現多方面的不利因素，本集團透過更加專注於其業務戰略及基本優先事項（例如管理供應鏈中斷及保障員工福祉），再次展示其毅力及適應性。前車可鑑，值得一提的是，本集團於2022年的表現不僅僅是由於整體經濟復甦所引致，惟亦由於在本集團的商業模式及價值創造的敏捷性及復原力，使本集團能夠於全球動盪中保持可持續增長。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The following table sets out revenue breakdown by customers' segment for both the automated test equipment ("ATE") and factory automation solutions ("FAS") segments:

下表載列自動化檢測設備(「ATE」)及工廠自動化解決方案(「FAS」)分部按客戶分類劃分的收益明細：

By industry

按行業計

For the year ended 31 December

截至12月31日止年度

		2022 2022年		2021 2021年	
		MYR'000 千令吉	% %	MYR'000 千令吉	% %
Automotive	汽車	254,856	42.4	104,322	20.5
Electro-Optical	電光	117,409	19.5	223,067	43.9
Medical devices	醫療儀器	84,581	14.1	29,293	5.8
Semiconductor	半導體	84,001	14.0	72,449	14.3
Consumer and industrial products	消費者及工業產品	59,740	10.0	78,955	15.5
		600,587	100.0	508,086	100.0

Geographically, the Group has broadened and deepened its foothold into China as depicted by the revenue growth of 58.0% from this region as compared to the exposure in 2021. Overall, the top five shipment markets from China (inclusive of Hong Kong), Malaysia, Vietnam, Singapore and Taiwan accounted for approximately 90.0% of the Group's revenue in 2022 as opposed to the contribution rate of 88.3% from the top five markets in 2021.

從地域上看，本集團已擴大及深化其於中國的駐足點，與2021年相比，該地區的收益增長了58.0%。整體而言，2022年來自中國(包括香港)、馬來西亞、越南、新加坡及台灣的五大貨運市場佔本集團收益約90.0%，而2021年五大市場的貢獻率為88.3%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

By shipment

按貨運計

For the year ended 31 December

截至12月31日止年度

		2022		2021	
		2022年		2021年	
		MYR'000	%	MYR'000	%
		千令吉	%	千令吉	%
China	中國	271,431	45.2	171,829	33.8
Malaysia	馬來西亞	180,089	30.0	76,759	15.1
Vietnam	越南	40,284	6.7	8,375	1.6
Singapore	新加坡	24,716	4.1	30,893	6.1
Taiwan	台灣	24,259	4.0	92,911	18.3
Japan	日本	19,928	3.3	76,376	15.0
United States	美國	12,018	2.0	18,771	3.7
Thailand	泰國	6,303	1.1	9,699	1.9
India	印度	6,180	1.0	3,412	0.7
Philippines	菲律賓	4,898	0.8	12,666	2.5
Others	其他	10,481	1.8	6,395	1.3
		600,587	100.0	508,086	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

Amidst a dynamic headwind faced at the macroeconomic front, 2022 has been an exceptional year for the Group where the Group achieved another record level for its revenue at MYR600.6 million, which was 18.2% higher than the preceding year. The double-digit growth in revenue was primarily driven by the continuous improved contributions from both the ATE and FAS business segments with each segment accounted for approximately 70.1% and 29.9% of the total Group's revenue. In 2021, revenue contribution from the ATE and FAS business segments was similar at 70.1% and 29.9% respectively.

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

財務回顧

收益

在宏觀經濟面臨不斷變化的不利條件下，2022年對本集團而言為毫不平凡的一年，本集團的收益再創歷史新高，達600.6百萬令吉，較去年增長18.2%。雙位數增長乃主要由ATE及FAS業務分部持續改善的貢獻所推動，各分部分別佔本集團總收益約70.1%及29.9%。於2021年，ATE及FAS業務分部收入貢獻相似，分別為70.1%及29.9%。

下表概述相關經營分部的收益，當中包括年內的分部間交易部分。

		Revenue 收益		
		2022 2022年 MYR'000 千令吉	2021 2021年 MYR'000 千令吉	Fluctuation 變動 %
ATE				
External customers	外部客戶	420,716	356,327	18.1%
Inter-segment revenue	分部間收益	83,471	2,060	
Total revenue	總收益	504,187	358,387	
FAS				
External customers	外部客戶	179,871	151,759	18.5%
Inter-segment revenue	分部間收益	5,068	3,542	
Total revenue	總收益	184,939	155,301	

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

ATE segment

The ATE segment, being the Group's main revenue source, continued to contribute the larger portion of the Group's overall revenue and profit during the year. After marking a turnaround in 2021 with its double-digit growth rate of 25.9%, total revenue from this segment continued to grow at 18.1% to MYR420.7 million in 2022. During the year, backed by the electrification in the automobile industry and the proliferation of the EV ecosystem, the automotive industry emerged as the leading segment within the ATE business unit, contributing approximately 58.4% as compared to 27.6% in the previous year. Such significant growth of the automotive segment within the ATE business unit at an astounding rate of 150.1% did not only signify the Group's encouraging milestone in penetrating the automotive industry but was a testament to the Group's comprehensive products and solutions offering for the automotive industry. Underpinned by a massive wave of developments in automotive electrification and the various global decarbonisation policies which accelerated the adoption of EV, the Group's broad array of automotive test solutions specifically the front-end tester for SiC and back end solutions for power devices made a meaningful breakthrough in the addressable market.

On the other hand, while the semiconductor industry is inherently cyclical, the ATE segment also benefitted from the semiconductor industry with its revenue contribution rate of 19.9%, representing an overall 17.6% growth as compared to 2021. Given the wide application of semiconductor contents in multiple industries from computer, telecommunication, healthcare, automotive to general industrial application coupled with the growing adoption of consumer electronics from the rapid urbanisation and improved living standards, the market growth of semiconductor production continues to bring opportunities and demand for the Group's test handling equipment.

ATE分部

作為本集團的主要收入來源，ATE分部於年內繼續對本集團整體收益及溢利作出較大貢獻。於2021年以25.9%的雙位數增長率實現轉虧為盈後，該分部的總收益繼續增長18.1%至2022年的420.7百萬令吉。年內，受汽車行業電氣化及電動汽車生態系統擴散所支持，汽車行業成為主導ATE業務單位中的部分，貢獻率約為58.4%，而去年則為27.6%。ATE業務單位中的汽車分部以驚人速度大幅增長150.1%，該增長不僅標誌著本集團參與汽車行業取得令人鼓舞的里程碑，其亦證明本集團為汽車行業提供全面的產品及解決方案。於汽車電氣化的巨大發展浪潮及各種全球脫碳政策加速採用電動汽車的支持下，本集團的廣泛汽車測試解決方案（特別是碳化矽的前端測試儀及功率器件的後端解決方案），於可觸及市場中取得具有意義性的突破。

另一方面，儘管半導體行業本身具週期性，惟ATE分部亦受益於半導體行業，其收益貢獻率為19.9%，與2021年相比整體增長17.6%。鑒於半導體內容廣泛應用至多個行業，包括電腦、電信、醫療保健、汽車至一般工業應用，加上快速城市化及生活水平提升對消費電子產品日益普及，半導體生產的市場增長繼續為本集團的測試處理設備帶來機會及需求。

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In contrast, revenue from the electro-optical within the ATE segment contracted to 19.0% in 2022, from 49.7% in 2021, which represented an overall drop of 54.9%. Recognising that the smartphone market has reached a certain plateau given the lack of major upgrade and development in smart sensors, the drop in revenue from this segment was within the Group's expectation. During the year, revenue from this segment was mainly derived from the module upgrade of the Group's existing smart device test solutions.

Overall, the Group's strong presence in the automotive industry has complemented its ATE business and such positive development will continue to provide impetus for growth to the overall Group's ATE segment in the mid-to long term.

FAS segment

The FAS segment of the Group has been gaining its traction over the last few years. Since the listing of the Company, the FAS segment has been consistently recording years of double-digit revenue growth with the exception of 2019 where a decrease of 18.4% was recorded. In 2022, the FAS segment continued to witness double-digit growth rate in its contribution to the Group's revenue, chalking 18.5% growth to achieve MYR179.9 million during the year. Specifically, the revenue momentum in this segment picked up in the third and fourth quarter of the year, with revenue in second half of the year exceeding its first half by 46.4%.

This year saw the medical devices segment leading and driving the Group's FAS growth with its revenue contribution rose to 41.5% from 19.3% in the previous year. The strong year-on-year revenue growth of 154.6% from the medical devices segment was mainly driven by global manufacturers of medical products in adopting the various process and assembly automation in their manufacturing processes for better productivity and efficiency. It is also a testament of the Group's medical automation know-how post acquisition of TP Concept in 2019 that has started to have a positive bearing in the Group's exposure for the medical industry. Revenue from other business segments, such as consumer and industrial products segment and electro-optical segment contributed 32.3% and 20.9% respectively towards the FAS business unit during the year.

相比之下，ATE分部的電光收益由2021年的49.7%減少至2022年的19.0%，整體下降54.9%。由於智能傳感器缺乏重大升級及發展，智能手機市場已達至一定的水平，該分部的收入下降於本集團的預期之內。年內，該分部的收益主要來自對本集團現有智能設備測試解決方案的模塊升級。

整體而言，本集團於汽車行業的強大影響力為其ATE業務相輔相成，有關積極的發展將於中長期內繼續為本集團的整體ATE業務提供增長動力。

FAS分部

本集團的FAS分部於過去數年一直獲得肯定。自本公司上市以來，除2019年錄得下降18.4%外，FAS分部多年來一直保持雙位數的收益增長。於2022年，FAS分部對本集團收益的貢獻繼續保持雙位數增長率，年內增長18.5%至179.9百萬令吉。具體而言，該分部的收益增長勢頭於本年度的第三及四季度有所回升，下半年收益較上半年增長46.4%。

本年度，醫療儀器分部帶領並推動本集團的FAS增長，其收益貢獻由去年的19.3%上升至41.5%。醫療儀器分部收於同比強勁增長154.6%，其主要由於全球醫療產品製造商於其製造過程中採用各種過程及裝配自動化以提高生產率及效率。這亦證明本集團於2019年收購TP Concept後的醫療自動化專業技術已開始對本集團於醫療行業的曝光率產生積極影響。年內，其他業務分部（如消費者及工業產品分部及電光分部）分別為FAS業務單位貢獻收益32.3%及20.9%。

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The emergence of digital technologies have accelerated the adoption of automation. Many companies across various industries are seen adopting automation in a broader manner especially in a post-pandemic environment in achieving efficiency and productivity within a safe operating environment. With the current automation trend and the acceptance of Industry 4.0, the FAS segment will continue to grow and contribute positively to the Group.

Gross margin

The Group concluded the year with an overall gross margin of 30.9% as opposed to 30.5% in 2021. Despite the Group having to confront the challenge over the supply chain constraints and inflationary cost pressures along with other lingering macroeconomic uncertainties, the Group is heartened to witness a relatively stable gross margin across all four quarters in 2022. The Group's increased exposure to the automotive and medical devices segment were the main attributes of the healthy margin and such encouraging situation was further bolstered by the continuous growth from the FAS segment. It was worthy to mention that the Group's penetration into these higher growth industries afforded the Group the opportunity and timeliness in mitigating the adverse cost impacts associated with component cost increases and rising labour cost in this highly inflationary environment.

Other income

The Group recorded other income amounting to MYR11.4 million during the year as compared to MYR15.2 million in 2021. The amount recorded in 2022 was mainly contributed by bank interest income of MYR5.2 million and miscellaneous income of MYR1.3 million. There was also a waiver of other payable amounting to MYR4.8 million during the year.

In 2021, there were elements of gain on foreign exchange of approximately MYR7.4 million. Such gain on foreign exchange was offset by a loss from changes in fair value of foreign currency forward contracts of MYR2.1 million under the Group's administrative expenses, resulting in a net gain on foreign exchange of MYR5.3 million in 2021. There were no such element of foreign exchange captured under other income during the year.

數碼技術的出現加速自動化的應用。各個行業中多間公司均以更廣泛的方式採用自動化，尤其是於疫情後的環境下於安全的操作環境中實現效率及生產力。憑藉當前的自動化趨勢及工業4.0的接受度，FAS分部將繼續增長並為本集團做出積極貢獻。

毛利率

本集團於年末的整體毛利率為30.9%，而2021年則為30.5%。儘管本集團需要面對供應鏈限制及通脹成本壓力以及其他持續的宏觀經濟不確定性等挑戰，惟本集團很榮幸地見證2022年所有四個季度的毛利率均保持相對穩定。本集團於汽車及醫療儀器分部的敞口增加為穩健利潤率的主要因素，而有關令人鼓舞的情況因FAS分部的持續增長而得到進一步的支持。值得一提的是，本集團參與該等高增長行業為本集團提供機會與及時性，能夠減輕在高度通脹的環境下與組件成本增加及勞動力成本上升的相關不利成本影響。

其他收入

年內本集團錄得其他收入11.4百萬令吉，而2021年則為15.2百萬令吉。2022年錄得的金額主要來自銀行利息收入5.2百萬令吉及雜項收入1.3百萬令吉。年內亦有豁免其他應付款項4.8百萬令吉。

於2021年錄得外匯收益約7.4百萬令吉。有關外匯收益被本集團行政開支項下錄得之外匯遠期合約公平值變動虧損2.1百萬令吉所抵銷，導致2021年的外匯收益淨額為5.3百萬令吉。年內概無於其他收入項下錄得有關外匯部分。

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Administrative expenses

Administrative expenses of the Group mainly comprised of the movement arising from foreign exchange, professional fees and administrative staff cost. During the year, administrative expenses increased by MYR18.1 million from MYR37.0 million in 2021 to MYR55.1 million. This was mainly due to the following factors:

- (i) loss on foreign exchange of MYR0.8 million and loss from changes in fair value of foreign currency forward contracts of MYR7.6 million during the year as compared to the loss from changes in fair value of foreign currency forward contracts (“derivative loss”) of MYR2.1 million in 2021. The Group entered into several forward contracts since beginning of the year based on the order book on hand where majority of these contracts received from customers were denominated in U.S. dollars. The objective of the Group undertaking such hedging process was to mitigate any adverse foreign exchange exposure that will affect the financials of the Group given the size of the order book received. The continuous appreciation of the U.S. dollar against MYR during the year has resulted in the derivative loss arising from the forward contracts committed by the Group;
- (ii) higher administrative staff cost of MYR28.4 million during the year (2021: MYR23.7 million) due to the increase in staff incentive and employee benefit expenses of MYR7.5 million;
- (iii) Incurrence of the research and development cost of Pentamaster MediQ in respect of its single-use medical devices amounting to MYR5.5 million; and
- (iv) higher professional fee of MYR0.6 million and higher upkeep and maintenance cost in computer of MYR0.7 million with the increase in staff headcount.

行政開支

本集團的行政開支主要包括外匯變動、專業費用及行政員工成本。年內，行政開支由2021年的37.0百萬令吉增加18.1百萬令吉至55.1百萬令吉，主要由於以下因素所致：

- (i) 年內的外匯虧損為0.8百萬令吉及外匯遠期合約公平值變動虧損為7.6百萬令吉，而2021年的外匯遠期合約公平值變動虧損（「衍生工具虧損」）則為2.1百萬令吉。本集團自年初起根據手頭訂單訂立數份遠期合約，其中大部分從客戶收到的合約以美元計值。本集團進行有關對沖活動的目的為減輕任何不利的外匯風險，原因為所收到的訂單規模將會影響本集團的財務狀況。年內美元兌令吉持續升值，導致本集團錄得遠期合約衍生工具虧損；
- (ii) 年內錄得28.4百萬令吉的較高行政人員成本（2021年：23.7百萬令吉），乃由於員工獎勵及僱員福利開支增加7.5百萬令吉；
- (iii) 就Pentamaster MediQ的單一用途醫療設備產生研發成本5.5百萬令吉；及
- (iv) 隨著員工數目增加，錄得專業費用增加0.6百萬令吉及電腦的維護及保養成本增加0.7百萬令吉。

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Profit for the year

The Group recorded a net profit of MYR133.3 million in 2022, representing an increase of 14.2% as opposed to a net profit of MYR116.7 million achieved in 2021. Accordingly, the Group's EBITDA (earnings before interest, tax, depreciation and amortisation) for 2022 stood at MYR143.4 million as compared to MYR127.9 million recorded in 2021, representing an increase of 12.1%. Basic earnings per share rose from 4.87 sen in 2021 to 5.59 sen in 2022.

Liquidity, financial resources and capital structure

The Group continued to maintain a healthy working capital of MYR510.3 million as at 31 December 2022 (31 December 2021: MYR416.6 million). Net cash from operations generated by the Group during the year was MYR59.9 million as compared to MYR121.6 million in the previous year. Cash and cash equivalents stood at MYR328.6 million as at 31 December 2022 as compared to MYR350.0 million in 2021. As at 31 December 2022, the Group's available banking facilities remained at MYR19.5 million in the form of term loan and trade facilities. The Group has made a full repayment for the balance of its term loan which was previously drawn down to partly finance the leasehold land of its second production plant in Batu Kawan, Penang. With the full repayment made, the Group has no borrowings as at 31 December 2022.

The Group's business operations are generally supported by a combination of internal and external sources of funds. Internal sources of funds mainly refers to shareholders' equity and cash generated from its operations, while external sources of funds mainly derived from the credit terms granted by its suppliers. The Group believes that after taking into account its cash and bank balances as well as the funds envisaged to be generated from its business operations, the Group is expected to have adequate working capital to meet its present and foreseeable day-to-day business operation requirements.

年內溢利

於2022年，本集團錄得純利133.3百萬令吉，較2021年錄得的純利116.7百萬令吉增加14.2%。因此，本集團2022年的EBITDA（未計利息、稅項、折舊及攤銷前的盈利）為143.4百萬令吉，而2021年則錄得127.9百萬令吉，增加12.1%。每股基本盈利由2021年的4.87仙上升至2022年的5.59仙。

流動資金、財務資源及資本架構

於2022年12月31日，本集團保持穩健的營運資金510.3百萬令吉（2021年12月31日：416.6百萬令吉）。本集團年內的經營現金淨額為59.9百萬令吉，而去年則為121.6百萬令吉。現金及現金等價物於2022年12月31日為328.6百萬令吉，而2021年12月31日則為350.0百萬令吉。於2022年12月31日，本集團的可用銀行融資維持於19.5百萬令吉，以定期貸款及貿易融資形式獲取。本集團已悉數償還其先前提取的定期貸款餘額，該貸款為其位於檳城巴都加旺(Batu Kawan)的第二間生產廠購買租賃土地提供資金。經悉數還款後，於2022年12月31日，本集團並無借款。

本集團的業務營運一般由內部及外部資金來源共同支持。內部資金來源主要為股東權益及經營活動產生的現金，外部資金來源主要為供應商授予的信貸期。本集團認為，經計及其現金及銀行結餘以及預期從其業務營運產生的資金後，本集團預期擁有充足的營運資金應付其現時及可預見的日常業務營運需求。

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Foreign exchange exposure

The Group is exposed to foreign currency risk as a result of its normal trading activities whereby sales and to a certain degree, purchases are principally transacted in U.S. Dollar. The Group also holds other financial assets and liabilities denominated in foreign currencies. These are not the functional and reporting currencies of the Group to which the transactions relate.

As part of the Group's treasury policy to manage its foreign exchange exposure, the Group entered into foreign exchange forward contracts apart from maintaining U.S. Dollar denominated bank accounts to minimise the effects of adverse exchange rate fluctuations on its financials.

Contingent liabilities

As at 31 December 2022, the Group had no material contingent liabilities.

Pledge of asset

As at 31 December 2022, the Group's leasehold land of MYR4,660,000 (2021: MYR4,744,000) has been pledged to secure a bank loan.

外匯風險

本集團一般貿易活動中的銷售及若干程度的採購主要以美元交易，因此面臨外幣風險。本集團亦持有以外幣計值的其他金融資產及負債。該等外幣並非本集團與交易相關的功能貨幣及呈報貨幣。

作為本集團管理其外匯風險的庫務政策的一部分，除保持美元計價的銀行賬目外，本集團已訂立外匯遠期合約，以最大程度減少不利的匯率波動對其財務的影響。

或然負債

於2022年12月31日，本集團並無重大或然負債。

資產抵押

於2022年12月31日，本集團為數4,660,000令吉（2021年：4,744,000令吉）的租賃土地已被抵押，作為銀行貸款的抵押品。

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Employees and remuneration

The Company recognises its employees as one of the Group's most important assets. The Company strongly believes in hiring the right talent, nurturing and retaining these talented employees with competitive remuneration packages. Besides, the Group is committed to organising regular external and internal training programs to upgrade the employees' skill set, knowledge and job experience.

As at 31 December 2022, the total number of full time employees of the Group increased to 782 (31 December 2021: 689).

Significant investments held, material acquisitions and disposal of subsidiaries, and future plans for material investments or capital asset

The board (the "Board") of directors (the "Directors") of the Company has allocated a budget of up to MYR200.0 million for the construction of new manufacturing plant on a newly acquired land and will be funded via internally generated funds.

Save for those disclosed in this report, there were no other significant investments held with a value of 5% or above of the Group's total assets, nor were there material acquisitions or disposals of subsidiaries during the year. Apart those disclosed in this report, there was no plan authorised by the Board for other material investments or additions of capital assets at the date of this report.

僱員及薪酬

本公司認知僱員為本集團最重要資產之一，並堅信聘請合適人才，加以培育及挽留，並提供具競爭力的薪酬待遇方為上策。此外，本集團致力於組織定期的外部和內部培訓項目，以提高僱員的技能、知識及工作經驗。

於2022年12月31日，本集團的全職僱員總數增至782人（2021年12月31日：689人）。

所持重大投資、重大收購及出售附屬公司以及重大投資或資本資產的未來計劃

本公司董事（「董事」）會（「董事會」）已分配上限為200.0百萬令吉的預算於新收購土地興建新生產廠房，並將由內部產生的資金所資助。

除本報告所披露者外，年內並無其他所持重大投資價值佔本集團總資產5%或以上以及重大收購及出售附屬公司。除本報告所披露者外，截至本報告日期，董事會並無授權其他重大投資或添置資本資產之計劃。

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USE OF PROCEEDS FROM THE LISTING

The shares of the Company were successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 19 January 2018 at the offer price of HK\$1.00 per share (“Listing”). The proceeds (net of listing expenses) from the Listing were approximately HK\$171.3 million (equivalent to approximately MYR92.6 million). In accordance with the proposed use of net proceeds as set out in the section headed “Future plans and use of proceeds” in the prospectus of the Company dated 29 December 2017 (the “Prospectus”), the net proceeds utilised by the Group from the date of the Company’s listing on 19 January 2018 (the “Listing Date”) up to 31 December 2022 are as follows:

上市的所得款項用途

本公司股份已於2018年1月19日成功在香港聯合交易所有限公司（「聯交所」）主板上市，發售價為每股1.00港元（「上市」）。上市所得款項（扣除上市開支）約為171.3百萬港元（相當於約92.6百萬令吉）。根據本公司日期為2017年12月29日的招股章程（「招股章程」）「未來計劃及所得款項用途」一節所載的所得款項淨額的擬議用途，從本公司於2018年1月19日上市之日（「上市日期」）起直至2022年12月31日止，本集團所用的所得款項淨額如下：

Use of net proceeds	所得款項淨額用途	Amount of net proceeds earmarked		Use of proceeds from the Listing Date up to 31 December 2022	Unutilised amount as at 1 January 2022	Unutilised amount as at 31 December 2022	Unutilised proportion as at 31 December 2022
		HK\$ million 百萬港元	MYR million 百萬令吉	自上市日期 直至2022年 12月31日止 所得款項用途 MYR million 百萬令吉	於2022年 1月1日的 未動用金額 MYR million 百萬令吉	於2022年 12月31日的 未動用金額 MYR million 百萬令吉	於2022年 12月31日 的未動用比例 %
Capital investment and costs in relation to the new production plant and the expansion of the existing production plant	有關新生產廠房及擴張現有生產廠房的資本投資及成本	84.8	45.8	45.8	-	-	-
Business expansion into the Greater China region	將業務擴展至大中華地區	38.1	20.6	20.6	-	-	-
Establishment of an office in California, U.S.	於美國加利福尼亞州設立一間辦公室	28.2	15.3	11.5	6.5	3.8	24.8
Marketing, branding and promotional activities	市場營銷、品牌宣傳及推廣活動	3.1	1.7	1.7	-	-	-
Working capital	營運資金	17.1	9.2	9.2	-	-	-
Total	總計	171.3	92.6	88.8	6.5	3.8	4.1

Note: Out of the unutilised amount of MYR3.8 million as at 31 December 2022, a further amount of MYR0.5 million had been utilised as at the date of this report. Taking into consideration the current monthly expenditure of the office in California, the Board has resolved to extend the timeline of the remaining unutilised amount for an additional 24 months up to 18 January 2025.

附註：於2022年12月31日未動用所得款項3.8百萬令吉中，0.5百萬令吉已於本報告日期獲進一步動用。考慮到於加利福尼亞州的辦公室的當前每月開支，董事會已議決將剩餘未動用所得款項的時間表延長額外24個月至2025年1月18日。

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The Directors are not aware of any material change to the proposed use of proceeds as at the date of this report. The unutilised net proceeds will be applied in the manner consistent with that mentioned in the Prospectus. The intended timeframe was based on the best estimation and assumption of future market conditions and industry development made by the Group as at the date of this report.

OPERATIONAL AND FINANCIAL RISKS

Operational risks

Dependence on key management and experienced personnel

Our success and growth is to a significant extent, attributable to the strategies and vision of our Chairman and the contributions of our executive Directors and senior management team, who play significant roles in our Group's day-to-day operations. Whilst we endeavour to provide a competitive remuneration package to our staff and ensure that they are appropriately rewarded, the competition for competent personnel in our industry is intense.

As part of the long term plan to nurture and retain its key management and employees, the Company's immediate holding company, Pentamaster Corporation Berhad ("PCB") implemented the share award scheme during the Company's Listing in recognising the contributions made by key management and employees as well as to incentivise and retain them for continual operation, growth and future development of the Group. On 1 April 2020, the Company adopted a share award scheme which is valid and effective for a term of ten years commencing on 1 April 2020 to serve as part of the Group's employee retention program in retaining its existing employees and to attract suitable personnel for further development of the Group. Additionally, the Group continuously grooms younger members of the management staff and other employees to participate in the management of the Group. It is also the current practice of the Group to not depend on one person to perform an important job function to prevent dependency on any particular person. Emphasis is placed on team work and all important projects will have backup personnel.

董事於本報告日期並不知悉所得款項擬定用途有任何重大變動。未動用所得款項淨額將與招股章程所述者相符之方式應用。該擬動用時間表乃基於本集團於本報告日期對未來市況及行業發展的最佳估計及假設。

營運及財務風險

營運風險

倚賴主要管理層及富經驗的人員

我們的成功及增長很大程度上歸功於我們主席的戰略及願景，以及我們執行董事及高級管理團隊的貢獻，彼等於本集團的日常營運中擔當重要角色。儘管我們竭力為員工提供具競爭力的薪酬待遇及確保彼等得到適當回報，但業內在聘請能幹人才方面競爭激烈。

作為培育及挽留其主要管理層及僱員的一部分，本公司的直接控股公司Pentamaster Corporation Berhad ("PCB") 於本公司上市期間實施股份獎勵計劃，以認可主要管理層及僱員作出的貢獻以及鼓勵及挽留彼等，令本集團達致持續營運、增長及未來發展。於2020年4月1日，本公司採納股份獎勵計劃，自2020年4月1日起有效及生效十年，以作為本集團僱員挽留計劃的一部分，從而挽留其現有僱員以及吸引合適人士供本集團進一步發展。此外，本集團繼續培養管理團隊內的新晉成員，以及其他僱員參與本集團管理事務。本集團現行慣例不會倚賴一人履行重要職務，藉此防止倚靠任何個別人士，並且強調團隊合作，所有重要項目均有後備人員支援。

MANAGEMENT DISCUSSION AND ANALYSIS

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Risk relating to technological obsolescence

Technology obsolescence is one of our business' inherent risks. The rapid development of technology prompts swift changes in customers' demand and requirements. Our technological products and solutions, may potentially be rendered obsolete due to the rapid evolution and emergence of new and/or substitute technology.

The Group seeks to minimise these risks by actively and continuously pursuing technology innovation and advancement, industry best practices and strategic business alliances to address the increasing sophisticated needs of its customers. The Group also provides continuous staff development to align their skills and knowledge with the requirements of the latest technology in the automation and semiconductor industries.

Continuous efforts are constantly made to increase the efficiencies of the research and development ("R&D") function for the development of new products and to strategically develop a continuing effective and dynamic management team to ensure the continued improvement of the Group's performance. Also, the Group's regular participation in overseas exhibition provides opportunities for us to understand the latest market requirement and keep abreast of current technological changes.

Competition risk

We face keen competition from many international and local competitors of various business scales. Technology, product quality, pricing, proximity to customers, services and breadth of products and/or solutions offered are the key areas of competition for our business. Many of our customers are multinational companies in Malaysia and overseas where the selection of equipment for their manufacturing processes are based on stringent criteria such as high quality automation equipment, good after sales service support, competitive pricing and also dependability of the products.

有關技術過時的風險

技術過時是我們業務的固有風險之一。科技發展迅速促使客戶需求及要求迅速變化。我們的技術產品及解決方案或會因全新及／或替代技術的快速演進及崛起而變得過時。

本集團不斷積極追求技術創新及提升、業內最佳規範及策略性業務聯盟，以應對其客戶精益求精的要求，藉此盡量降低有關風險。本集團亦提供持續員工發展，使彼等的技術及知識符合自動化及半導體行業最新技術的要求。

我們不斷努力提高研究及開發（「研發」）職能的效率以開發新產品，按照策略發展持續高效且靈活變通的管理團隊，確保本集團表現得以繼續提升。同時，本集團定期參與海外展覽，以便我們了解最新市場要求，緊貼當前的技術演變。

競爭風險

我們面臨來自眾多不同業務規模的國際及本地競爭對手的激烈競爭。技術、產品質素、定價、鄰近客戶、所提供的服務及產品及／或解決方案的廣度均為我們業務競爭的主要範疇。我們許多客戶均為於馬來西亞及海外的跨國公司，而製造過程中乃依據嚴謹的條件挑選設備，如高質素的自動化設備、良好的售後服務支援、具競爭力的定價，亦視乎產品的可靠性。

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The Group's R&D effort and value innovation to venture into high-end technology for smart devices and i-ARMS had enabled the Group to achieve its product differentiation in this marketplace. Having our own software development team is also one of the competitive edges against our competitors. Emphasis is also placed on continuous quality checking to ensure the products meet customers' requirement and are of high quality.

Excellent after sales service to our customers has always been the priority of the Group. As the Group's products are customised automation solutions made according to specification required by customers, after sales service is crucial to ensure smooth running of customers' operations.

Intellectual property

The rights to use the technology behind the various design and manufacturing processes in our business and industry as well as the protection of proprietary knowledge, technology and processes developed by our Group are crucial to our continuous success and development. If our technology is infringed by way of unauthorised copying, use or imitation, our competitive advantage, sales and reputation may be affected.

To mitigate the risk, the Group has submitted applications to register several of its trademarks and affirmed the relevant statutory declarations in respect of the copyrights of certain software products. All the employees are also required to sign a non-disclosure agreement (NDA) to protect the Group's interest.

Financial risks

The Group's financial risks are set out in Note 40 under the notes to the consolidated financial statements.

本集團的研發努力及重視創新，冒險進軍智能裝置及i-ARMS的高端技術領域，讓本集團產品成功在此市場上突圍而出。我們設有自家的軟件開發團隊亦是對於競爭對手而言其中一項競爭優勢。我們亦強調質量測檢，以確保產品達到客戶要求及品質優良。

本集團一直將為客戶提供超卓的售後服務作為首要任務。由於本集團的產品為按客戶要求規格定制的自動化解決方案，售後服務乃確保客戶業務暢順運作的關鍵所在。

知識產權

我們的業務及所處行業中的各項設計及生產工藝所需的技術使用權，及保障本集團開發的專有知識、技術及工藝，對我們的持續成功及發展至關重要。倘我們的技術因未經授權的抄襲、使用或模仿而遭侵權，則可能影響我們的競爭優勢、銷售及聲譽。

為了減輕風險，本集團已提交申請註冊其多項商標，並且申明有關若干軟件產品版權的相關法定聲明。所有僱員亦須簽署保密協議，以保障本集團利益。

財務風險

本集團的財務風險載於綜合財務報表附註40。

MANAGEMENT DISCUSSION AND ANALYSIS

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PROSPECTS

“When the going gets tough, the tough get going.”

Year 2022 ended on another challenging note and it was a year of two halves. While the aftermath of the COVID-19 pandemic continued to be felt, the first half of the year was compounded by the various geopolitical developments and rising inflationary pressures from the prolonged supply chain disruptions. The Group, through its various business strategies and approaches, navigated carefully in these challenging times and embraced the second half of the year on a better footing by executing and undertaking some of its internal business initiatives that were geared towards building new capabilities and revenue streams, while remaining vigilant and reactive in every stage of its execution to ensure agility in this highly evolving situation. It was definitely a year of resilience and a year of adaptability where the Group remained focused on its core competencies while responding to challenges and opportunities.

With the challenging year that has been, 2023 will be a year of consolidating and gathering internal strength and commitment to continue achieving breakthroughs in its existing businesses and geographical markets with new growth drivers and initiatives. Anchored by a record high order book on hand, the Group is forward-looking in establishing another year of solid business growth. Most notably, the Group will continue to strengthen its pillar of growth strategies in product diversification, geographical diversification and segmental diversification. Operationally, the Group has made headway in expanding its presence in higher growth segments namely the automotive and medical devices segment. In respect of automotive segment, with its leading position achieved during the year from revenue contribution standpoint, the Group expects the growing revenue exposure from this segment to persist on the back of its strong order fulfilment that is largely driven by the quickening pace of automotive electrification and the various automotive-related stimulus and policies towards decarbonisation that provide impetus to the EV market. The medical devices segment, which is now seen dominating the Group's FAS segment will set the scene for pushing the revenue growth streak further within the segment as the application of automation in medical manufacturing becomes prevalent.

前景

「面對逆境時，堅強的人會迎難而上。」

2022年在充滿挑戰下結束，其亦為上下半年截然不同的一年。儘管繼續受到COVID-19疫情的影響，惟本年度上半年因各種地緣政治發展及供應鏈長期中斷導致的通脹壓力上升而變得更加複雜。本集團透過其各種業務策略及方法，於這個充滿挑戰的時期謹慎行事，並透過執行及開展若干旨在建立新的能力及收入來源的內部業務舉措，以更好的基礎迎接下半年，同時在執行的每個階段保持警惕及積極回應，以確保在目前瞬息萬變的局勢下保持靈活性。這絕對為充滿韌性及適應力的一年，本集團於應對挑戰及機遇的同時繼續專注於其核心競爭力。

在過去充滿挑戰的一年間，2023年將為鞏固及凝聚內在力量及承諾的一年，以新的增長動力及舉措繼續在其現有業務及地域市場實現突破。在創紀錄的手頭訂單支持下，本集團期待實現另一年的穩固業務增長。值得注意的是，本集團將繼續加強其於產品多樣化、地域多樣化及分部多樣化的增長戰略支柱。在運營方面，本集團於擴大其高增長分部（即汽車及醫療儀器分部）的業務方面取得了進展。就汽車分部而言，以收益貢獻的角度來看，其於年內取得主導地位。本集團預計該分部的收益將繼續增長，這主要由於汽車電氣化加速以及各種與汽車相關的刺激措施及脫碳化政策為電動汽車市場提供動力。隨著自動化於醫療製造中的應用變得普及，目前被視為主導本集團FAS分部的醫療儀器分部將為進一步推動該分部的收益增長勢頭奠定基礎。

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The Group's effort in its geographical diversification approach entails establishing its presence outside of Malaysia which mainly includes China, Japan, U.S. and Singapore. Such establishment held the Group in good stead as the Group continues to record positive financial performance on the back of its growing sales traction achieved from these regions that cover important key market for the business segments of the Group. While the Group sets eyes on Germany, Indonesia and Middle East for its next geographical expansion, the Group is mindful of the "China plus one" strategy in which multinational firms are seen moving parts of their production outside of China, with India and Vietnam being the two primary locations brought up in attention. The Group is of the opinion that while such economic policy brings positive development in reducing supply chain dependency and vulnerability, it augurs well for the overall Group's business growth opportunity with the potential increase in demand for the Group's products and solutions from these new establishment outside of China.

As the Group continues to seek opportunities to improve its financial performance, it is also keeping a keen eye on building a sustainable environment. In addition to putting sustainable business strategy in place, the Group is cognisant of the increasing importance of non-financial reporting. As part of the Group's continuing efforts in enhancing transparency, the Group will step up its Environmental, Social and Governance ("ESG") disclosures by making reference to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). In addition, the Group will enhance its ESG initiatives through the formulation and implementation of the various ESG action plans that encompass, among others, climate change initiatives, supply chain, diversity, employees' engagement, corporate culture and compliance to reinforce its sustainability.

本集團於地域多元化方面的舉措涉及於馬來西亞以外的地區建立業務，主要包括中國、日本、美國及新加坡。該等地區覆蓋本集團各業務領域的重要關鍵市場，在其不斷增長的銷售牽引力的支持下，有關建立使本集團保持良好的發展勢頭。雖然本集團將擬於德國、印尼及中東地區進行下一步地域擴張，惟本集團注意到「中國加一」戰略，即建議跨國企業將其部分生產轉移到中國境外，其中印度及越南正正是兩個主要地點。本集團認為，儘管有關經濟政策於減少供應鏈的依賴性及脆弱性方面帶來正面發展，惟隨著中國境外新設立的機構對本集團的產品及解決方案的潛在需求有所增加，對本集團的整體業務增長機會亦為好兆頭。

在本集團繼續尋求機會改善其財務表現的同時，其亦密切關注建立可持續發展的環境。除制定可持續的業務策略外，本集團亦意識到非財務報告的重要性日益增加。作為本集團持續提高透明度的努力的一部分，本集團將參考氣候相關財務揭露工作小組(TCFD)的建議，加強其環境、社會及管治(「ESG」)信息披露。此外，本集團將透過制定及實施各種ESG行動計劃以加強其ESG舉措，其中包括氣候變化舉措、供應鏈、多樣性、員工參與、企業文化及合規等，以加強其可持續性。

MANAGEMENT DISCUSSION AND ANALYSIS

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As the Group enters 2023 at an encouraging pace, the Group remains cautious given the current volatile global environment. The Group does not expect the overall sentiment to return to pre-pandemic conditions anytime soon and while this dynamic situation remains fluid, the Group will continue to drive operational efficiency and prudent cost optimisation to mitigate the impact of rising material price and any other cost increase from the inflationary pressure. Organically, the Group will continue to build its internal capabilities and accelerate innovation across all facets of its business segments from new product development to value chain activities to address the rapidly evolving market requirement. On a broader level, the Group is staying on course to keep pace with its long term growth initiatives steered by its “Grand Roadmap & key Focus 2022-2025” which is formulated to further progress the Group towards achievement of its long term growth trajectory.

隨著本集團以令人鼓舞的增長迎接2023年，鑒於目前全球環境依然動盪，本集團仍然保持謹慎。本集團預計整體情緒不會快速恢復至疫情前的狀態，且這種不斷變化的情況依然不穩定，本集團將繼續推動運營效率及審慎精簡成本，以減輕材料價格上漲及通貨膨脹壓力帶來的任何其他成本增加的影響。本集團將繼續有機地建立其內部能力，並加速在其業務分部中開發新產品至價值鏈活動等各個方面的發展，以滿足快速變化的市場需求。在更廣泛的層面上，本集團正堅持在「2022-2025年大路線圖及重點關注點」指導下的長期增長計劃，旨在進一步推動本集團實現其長期增長軌跡。

BOARD OF DIRECTORS 董事會



CHUAH CHOON BIN

Executive Chairman 執行董事

EXECUTIVE DIRECTORS

Mr. Chuah Choon Bin (“Mr. Chuah”), aged 62, was appointed as our Director on 12 June 2017 and was re-designated as our Executive Director on 5 September 2017. Mr. Chuah was subsequently re-designated as the Chairman on 19 December 2017. He currently sits on the board of PCB as the non-executive chairman and non-executive director. PCB is currently listed on the Main Market of Bursa Malaysia and is the Controlling Shareholder of the Company. He also holds directorship in all the subsidiaries of the Group.

Prior to setting up the Group, he served as an automation engineer for National Semiconductor and Intel Technology Malaysia. With his vast experience in the design and manufacturing of automation equipment and vision inspection system, he has developed the Group to its present level of success, from a simple automation house to a high technology group specialising in providing factory automation equipment and systems and information communication technology solutions to industrial and commercial customers.

執行董事

Chuah Choon Bin先生（「Chuah先生」），62歲，於2017年6月12日獲委任為我們的董事及於2017年9月5日調任為我們的執行董事。彼目前為PCB董事會成員，擔任非執行主席及非執行董事。PCB現時於馬來西亞證券交易所主板市場上市，並為本公司的控股股東。彼亦於本集團所有附屬公司擔任董事。

於創立本集團前，他曾於National Semiconductor及Intel Technology Malaysia出任自動化工程師。憑藉於設計及製造自動化設備與視覺檢測系統方面的豐富經驗，彼將本集團由一間簡單自動化公司，發展至擁有現今成就的高科技集團，專門為工商業客戶提供廠房自動化設備及系統以及資訊及通訊科技解決方案。

BOARD OF DIRECTORS 董事會

Under his leadership, the Company achieved the following recognitions;

- (i) inclusion into the constituents of the FTSE4Good Bursa Malaysia (“F4GBM”) Index in 2021 where such F4GBM Index measures the performance of public listed companies demonstrating strong environmental, social and governance practices;
- (ii) ranked in the top 200 in the Forbes 2020, 2019, 2018 & 2017 Best Under a Billion list of companies that are publicly listed in the Asia Pacific region;
- (iii) awarded The Edge Billion Ringgit Club, under the category of the Highest Returns to Shareholders Over Three Years for technology sector in 2020 and 2019 and the Highest Growth in Profit After Tax Over Three Years for technology sector in 2019;
- (iv) awarded the Focus Malaysia Best Under Billion Awards 2018 for the Best Revenue Growth, Best Enterprise Value Growth and Overall Winner category, and Focus Malaysia Best Under Billion Awards 2017 for the Best Return on Assets category; and
- (v) recipient of the Enterprise 50 Award 2002 organised by Accenture and SMIDEC and Quality Management Excellence Award 2003 for the category of local company with annual sales turnover exceeding MYR25 million to MYR200 million at the Industry Excellence Award 2003 organised by Ministry of International Trade and Industry.

本公司在其帶領下獲得以下殊榮：

- (i) 於2021年獲納入富時社會責任馬來西亞股票交易所(「F4GBM」)指數的成份股，而該F4GBM指數衡量展示強勁環境、社會及管治常規的公眾上市公司的表現；
- (ii) 於亞太區公開上市的公司中躋身2020年、2019年、2018年及2017年福布斯雜誌收益10億(美元)以下最佳企業名單200強；
- (iii) 本公司2020年及2019年獲得十億令吉俱樂部項下技術領域「三年來稅後利潤最高增長獎」，並於2019年獲得「三年來股東回報最高獎」；
- (iv) 獲得2018年聚焦馬來西亞最佳十億以下大獎之最佳收入增長獎、最佳企業價值增長獎和總冠軍、2017年聚焦馬來西亞最佳十億以下大獎之最佳資產回報獎；及
- (v) 獲授Accenture及SMIDEC舉辦的2002年度50強企業大獎，以及在馬來西亞國際貿易及工業部舉辦的2003年度卓越工業獎中獲得年度銷售額超過25百萬令吉至200百萬令吉當地公司組別的質量管理卓越大獎。

BOARD OF DIRECTORS 董事會

For his personal recognition, he won the First Malaysian Ernst & Young Emerging Entrepreneur of the Year Award Malaysia 2002.

Currently, he is the board member of Penang Charis Hospice Home and Penang Automation Cluster Sdn. Bhd. Mr. Chuah sits as the chairman of SJK Kwang Hwa school and he is also appointed to the school board as director for Chung Ling High School, Heng Ee High School and Phor Tay High School. In 2021, he is appointed as the Penang Wawasan Open University Education Foundation Member and Penang i4.0 Seed Fund Evaluation Committee Member.

Mr. Chuah is a co-founder of PCB and its subsidiaries including our Group (the “Pentamaster Group”). He graduated with a bachelor’s degree in engineering with honours in May 1985 and a master’s degree in engineering majoring in electrical and electronics in May 1989, both from the University of Auckland, New Zealand.

Mr. Chuah is the brother in-law of Ms. Gan Pei Joo, the Executive Director and the chief financial officer of the Company.

在個人成就方面，彼贏得2002年度安永馬來西亞新晉企業家年獎一等獎。

現時，彼為檳城聖恩安寧護理中心及Penang Automation Cluster Sdn. Bhd.的董事會成員。Chuah先生為雙溪里蒙光華學校的主席，彼亦獲委任加入鐘靈中學、恆毅中學及菩提中學學校董事會出任校董。於2021年，彼獲委任為宏願開放大學教育基金成員及Penang i4.0 Seed Fund評估委員會成員。

Chuah先生為PCB及其附屬公司包括本集團（「Pentamaster集團」）的共同創辦人。彼於1985年5月取得工程學榮譽學士學位，並於1989年5月取得電機及電子專業工程學碩士學位，兩者均於新西蘭奧克蘭大學獲得。

Chuah先生為本公司執行董事兼財務總監Gan Pei Joo女士的姻親。

BOARD OF DIRECTORS 董事會



GAN PEI JOO

Executive Director 執行董事

Ms. Gan Pei Joo (“Ms. Gan”), aged 47, was appointed as our Director on 12 June 2017 and was re-designated as our Executive Director on 5 September 2017. She was appointed as an executive director of PCB on 19 March 2021. She is also the chief financial officer and holds directorship in all the subsidiaries of the Group.

She commenced her career at PricewaterhouseCoopers in 2000 and was last served as a senior associate in 2003 after having acquired extensive auditing and consulting exposure to companies in various industries. She joined Pentamaster Group as the group accountant in 2003 and held various positions prior to her promotion as the group financial controller in 2009. Ms. Gan is primarily responsible for the overall management, corporate affairs, finance, treasury, control functions and budgeting of the Group. She also sits on the environment, social and governance (ESG) committee as well as risk management committee of the Group.

She graduated with a bachelor’s degree of commerce majoring in accounting from Curtin University of Technology, Perth, Australia in February 1999. She was admitted as a member of the Certified Practising Accountants, Australia and a Chartered Accountant from the Malaysian Institute of Accountants in July and November 2002, respectively.

Ms. Gan is the sister in-law of Mr. Chuah Choon Bin, the Executive Director and the Chairman of the Group.

Gan Pei Joo女士（「Gan女士」），47歲，於2017年6月12日獲委任為我們的董事及於2017年9月5日調任為我們的執行董事。彼於2021年3月19日獲委任為PCB的執行董事。彼亦為財務總監，於本集團所有附屬公司擔任董事。

彼於2000年開始在羅兵咸永道會計師事務所任職，從中積累對各行各業公司提供審核與諮詢服務的豐富經驗，離職前於2003年最後出任高級助理。彼於2003年加入Pentamaster集團擔任集團會計師，並曾擔任多個職位，其後於2009年晉升為集團財務總監。Gan女士主要負責本集團的整體管理、企業事務、財務、庫務、監控職能及預算。彼亦為本集團環境、社會及管治委員會以及風險管理委員會的成員。

彼於1999年2月取得澳洲珀斯Curtin University of Technology會計商務學士學位。彼分別於2002年7月及11月獲認可為澳洲會計師公會會員及馬來西亞會計師協會特許會計師。

Gan女士為本集團執行董事兼主席Chuah Choon Bin先生的姻親。

BOARD OF DIRECTORS 董事會

NON-EXECUTIVE DIRECTOR

非執行董事

Mr. Leng Kean Yong (“Mr. Leng”), aged 48, was appointed as our Director on 7 August 2017 and was re-designated as our non-executive Director on 5 September 2017. He is a member of the audit committee and the remuneration committee of the Company. He currently sits on the board of PCB as a non-executive independent director.

Leng Kean Yong先生(「Leng先生」)，48歲，於2017年8月7日獲委任為我們的董事及於2017年9月5日調任為我們的非執行董事。彼為本公司審核委員會及薪酬委員會的成員，現以獨立非執行董事身份列席於PCB董事會。



LENG KEAN YONG

Non-Executive Director 非執行董事

BOARD OF DIRECTORS 董事會

Mr. Leng has been in the finance and marketing field for over 20 years. He is highly experienced in the areas of business strategy, ranging from financial matters to business planning and marketing. He has successfully executed projects for small-medium sized industries to listed companies on Bursa Malaysia Securities Berhad, the Australian Securities Exchange and The Stock Exchange of Hong Kong Limited as well as projects for multinational corporations. Such projects encompass IPO exercise, industry research report, the development of a 5-year business plan, marketing strategy blueprint, customer relationship management implementation, market entry and feasibility studies, and mergers and acquisitions evaluations.

At present, Mr. Leng is also one of the Directors at Crowd Sense Sdn. Bhd. (which operates under the brand name of Cofundr), a recognised market operator for peer-to-peer financing registered with the Securities Commission Malaysia. He was previously a Director at L3 Consulting Sdn. Bhd. and Project Director for Synovate Sdn. Bhd., and prior to that, a senior manager for ACNielsen Malaysia Sdn. Bhd. ("ACNielsen"). During his tenure at ACNielsen, he was awarded with three ACNielsen awards for his contribution in successfully implementing and executing key strategies for the firm's local operations. He started his career with BBMB Securities Sdn. Bhd. and he has also advised and managed discretionary fund for private companies and high net worth individuals.

He graduated from the Western Michigan University (cum laude), the United States, with a bachelor in business administration degree in April 1996. He also holds various other certifications through training and updates in the fields of marketing obtained throughout his career with the various global marketing research consultancy firms.

Leng先生於金融及市場營銷行業擁有逾20年經驗。彼對於業務策略領域，由財務事宜以至業務規劃及市場營銷方面，均具備深厚經驗，先後成功為中小型產業以至於馬來西亞證券交易所、澳洲證券交易所及香港聯合交易所有限公司上市的公司執行項目，以及為跨國企業執行項目。該等項目包含首次公開發售活動、行業研究報告、構建五年業務計劃、市場營銷策略藍圖、實施客戶關係管理、市場准入及可行性研究以及兼併與收購評估。

現時，Leng先生亦為Crowd Sense Sdn. Bhd. (以Cofundr的品牌名稱營運) 其中一名董事，而Crowd Sense Sdn. Bhd.則為於馬來西亞證券委員會註冊的獲認可點對點融資市場營運商。彼過往曾擔任L3 Consulting Sdn. Bhd.的董事以及Synovate Sdn. Bhd.的項目總監，之前則為ACNielsen Malaysia Sdn. Bhd. (「ACNielsen」) 高級經理。於ACNielsen任職期間，彼因其於為公司當地業務成功實施及執行重大策略方面的貢獻獲授三個ACNielsen獎項。彼於BBMB Securities Sdn. Bhd.展開其事業，而彼亦曾為私人公司及高淨值個人建議及管理酌情基金。

彼於1996年4月畢業於美國西密歇根大學 (優等成績)，並取得工商管理學士學位，並且透過在其事業生涯中任職於全球多間市場研究諮詢公司接受培訓及更新有關市場營銷領域的知識，取得多項其他證書。

BOARD OF DIRECTORS 董事會

INDEPENDENT NON-EXECUTIVE DIRECTORS 獨立非執行董事

Mr. Sim Seng Loong @ Tai Seng (“Mr. Sim”), aged 56, was appointed as our independent non-executive Director on 19 December 2017. He is also the chairman of the audit committee and the remuneration committee and a member of the nomination committee of the Company. He is primarily responsible for supervising and providing judgment to our Board.

Sim Seng Loong @ Tai Seng先生 (「Sim先生」)，56歲，於2017年12月19日獲委任為我們的獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會主席以及提名委員會成員。彼主要負責監督我們的董事會並向其提供判斷。



SIM SENG LOONG @ TAI SENG
Independent Non-Executive Director
獨立非執行董事

BOARD OF DIRECTORS 董事會

He started his career with Ernst & Young for 15 years before joining R.K. & Associates as a lead partner in 2004. He subsequently joined Eaton Industries Pty Ltd (Australia) as accounting manager and later transferred to Shanghai Eaton Engine Components Ltd (China) as financial controller. Upon returning to Malaysia in January 2012, he was appointed as chief operating officer and chief financial officer for The BIG Group Sdn Bhd. In January 2014, he joined Petrol One Resources Berhad as its chief financial officer and remained with the group until January 2019. He joined Silverpack Sdn. Bhd. in March 2019 as its Chief Financial Officer and remains in the same position until today.

From December 2016 to July 2020, Mr. Sim served as an independent director of Jack-in Group Limited, a company listed on the Australian Securities Exchange (ASX: JIP). Currently, he sits on the board of Nova Wellness Group Berhad ("Nova"), a company listed on the Main Market of Bursa Malaysia Securities Berhad (stock code: 0201) as an independent non-executive director. He is also the chairman of audit committee and risk management committee of Nova. In September 2020, Mr. Sim was appointed as an independent non-executive director of Ramssol Group Berhad ("Ramssol"). He is also the chairman of audit committee and risk management committee of Ramssol.

He is a Chartered Accountant under Malaysian Institute of Accountants, a Certified Public Accountant of Malaysia Institute of Certified Public Accountants and a member of the Certified Practising Accountants of Australia. He also holds a Master in Business Administration and various other certifications through training and updates in the fields of accountancy and taxation obtained throughout his career.

彼於安永會計師事務所展開其事業，任職15年後於2004年加入R.K. & Associates作為首席合夥人，彼其後加入Eaton Industries Pty Ltd (Australia)出任會計經理，其後再獲調遷至上海伊頓發動機零部件有限公司(中國)出任財務總監。於2012年1月回到馬來西亞前，彼曾獲委任為The BIG Group Sdn. Bhd.的營運總監及財務總監。於2014年1月，彼加入Petrol One Resources Berhad，出任財務總監，並於該集團任職至2019年1月。彼於2019年3月加入Silverpack Sdn. Bhd.，擔任其財務總監至今。

自2016年12月至2020年7月，Sim先生為Jack-In Group Limited的獨立非執行董事，該公司於澳洲證券交易所上市(澳洲交易所股份代號：JIP)。現時，彼以獨立非執行董事身份列席於Nova Wellness Group Berhad(「Nova」)(一間於馬來西亞證券交易所主板市場上市之公司，股票代碼：0201)董事會。彼亦為Nova審核委員會及風險管理委員會主席。於二零二零年九月，Sim先生獲委任為Ramssol Group Berhad(「Ramssol」)的獨立非執行董事。彼亦為Ramssol的審核委員會及風險管理委員會主席。

彼為馬來西亞會計師協會特許會計師、馬來西亞註冊會計師協會註冊會計師及澳洲會計師公會會員，並且持有工商管理碩士學位以及透過在其事業生涯中接受培訓及更新有關會計及稅務領域的知識，取得多項其他證書。

BOARD OF DIRECTORS 董事會

Dr. Chuah Jin Chong (蔡仁鐘) (“Dr. Chuah”), aged 61, was appointed as our independent non-executive Director on 19 December 2017. He is also the chairman of the nomination committee and a member of the remuneration committee of the Company. He is primarily responsible for supervising and providing independent judgment to our Board.

Dr. Chuah has over 30 years of professional experience in the medical industry since he was registered as a medical practitioner in Queensland, Australia in 1988 and New Zealand in 1989. From December 1991 to July 2003, he was employed by the Hospital Authority in Hong Kong and retired as an associate consultant in the department of anaesthesia in the Queen Elizabeth Hospital, Hospital Authority. He is currently a registered medical practitioner in Hong Kong.

Dr. Chuah graduated from the University of Queensland, Australia, with the degree of bachelor of medicine and bachelor of surgery in December 1987. He was admitted as a fellow of the Hong Kong Academy of Medicine in the speciality of Anaesthesiology and a fellow of the Australian and New Zealand College of Anaesthetists in May 2001 and June 2001, respectively.

蔡仁鐘博士 (「蔡博士」)，61歲，於2017年12月19日獲委任為我們的獨立非執行董事。彼亦為本公司提名委員會主席以及薪酬委員會成員，主要負責監督我們的董事會並向其提供獨立判斷。

蔡博士於1988年在澳洲昆士蘭及於1989年新西蘭註冊成為醫生以來，已於醫療行業累積逾30年的專業經驗。自1991年12月至2003年7月，彼受僱於香港醫院管理局，退休時於醫院管理局伊利沙伯醫院麻醉科擔任副顧問醫生。彼現為香港註冊醫生。

蔡博士於1987年12月畢業於澳洲昆士蘭大學，取得內外全科醫學士學位。彼分別於2001年5月及2001年6月獲認可為香港醫學專科學院院士（麻醉科）及澳洲及新西蘭麻醉科醫學院院士。



CHUAH JIN CHONG 蔡仁鐘
Independent Non-Executive Director
獨立非執行董事

BOARD OF DIRECTORS 董事會



CHAN MAY MAY 陳美美
Independent Non-Executive Director
獨立非執行董事

Ms. Chan May May (陳美美) (“Ms. Chan”), aged 57, was appointed as our independent non-executive Director on 19 December 2017. She is also a member of the audit committee and the nomination committee of the Company. She is primarily responsible for supervising and providing independent judgment to our Board.

She has over 20 years of experience in the legal field. She is currently the chief executive officer of ZICO Insource Inc. since July 2015, which is engaged in the provision of insourcing and consultancy services relating to legal, human resource and communications. Ms. Chan was the head of group corporate communication in Dialog Group Berhad from December 2012 to January 2015. Prior to that, she worked at Media Chinese International Ltd., a company listed on both the Stock Exchange (stock code: 685) and Bursa Malaysia Securities Berhad (stock code: 5090). From July 2017 to October 2020, she served as an independent non-executive Director of BGMC International Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1693).

Ms. Chan graduated from the University of Malaya in Malaysia with a degree of bachelor of laws with honours in August 1990. She has been admitted to the Malaysian Bar since March 1991.

陳美美女士 (「陳女士」)，57歲，於2017年12月19日獲委任為我們的獨立非執行董事。彼亦為本公司審核委員會及提名委員會成員，主要負責監督我們的董事會並向其提供獨立判斷。

彼於法律領域擁有逾20年經驗。自2015年7月至今，彼一直為ZICO Insource Inc. (提供有關法律、人力資源及通訊方面的內包及諮詢服務) 的行政總裁。自2012年12月至2015年1月，陳女士於Dialog Group Berhad擔任集團公關主管。在此之前，彼於世界華文媒體有限公司 (一間同時於聯交所 (股份代號：685) 及馬來西亞證券交易所 (股份代號：5090) 上市的公司) 任職。由2017年7月至2020年10月，彼擔任璋利國際控股有限公司 (一間於聯交所主板上市的公司 (股份代號：1693)) 的獨立非執行董事。

陳女士於1990年8月畢業於馬來西亞馬來亞大學，獲得法學榮譽學士學位。彼於1991年3月獲認可為馬來西亞大律師。

SENIOR MANAGEMENT 高級管理層

Mr. Hon Tuck Weng (“Mr. Hon”), aged 52, has been the operation director since May 2007 and is primarily responsible for overseeing the daily operation of our management information system, quality assurance and control, facilities and internal control functions. He started his career as the software programmer of Pentamaster Technology a direct wholly-owned subsidiary of the Company in March 1995. Mr. Hon has more than 25 years of experience in automation solutions industry.

Mr. Hon graduated with a higher diploma in computer studies, moderated and assessed by the University of Humberside in United Kingdom, in September 1993. He later obtained a postgraduate certificate in engineering business management from the University of Warwick, United Kingdom, in June 2011 through a distance learning course.

Hon Tuck Weng先生(「Hon先生」)，52歲，自2007年5月起擔任營運總監，主要負責監督我們的管理資料系統、質量保證及控制、設施及內部監控職能的日常營運。彼於1995年3月在本公司直接全資附屬公司Pentamaster Technology擔任軟件程式員以展開其事業。Hon先生於自動化解決方案行業擁有逾25年經驗。

Hon先生於1993年9月畢業於英國University of Humberside開辦及評核的電腦學高級文憑。彼其後於2011年6月透過遠程教育課程自英國華威大學取得工程商業管理深造證書。



HON TUCK WENG

Operation Director 營運總監

SENIOR MANAGEMENT 高級管理層



TEOH SIOW KHIANG

Senior General Manager 高級總經理

Mr. Teoh Siow Kiang (“Mr. Teoh”), aged 66, has been the senior general manager of Pentamaster Instrumentation, a direct wholly-owned subsidiary of the Company since January 2017. He is primarily responsible for overseeing the daily operations of Pentamaster Instrumentation. He joined as a general manager of Pentamaster Instrumentation in January 2006.

He started his career with Hitachi Semiconductor Sdn. Bhd. as a TTL & CMOS IC test Engineer in 1983. He later joined Hewlett Packard as a LED test specialist engineer and expanded the role to be R&D Engineer in LED development. In 1999, he joined the Agilent Technology, a spin-off of Hewlett Packard Company, as an Instrument NPI engineering manager. He was in the pioneer team in setting up the electronics measurement instrument manufacturing operation in Penang. He was subsequently promoted to senior manager.

Mr. Teoh obtained an honours class bachelor’s degree of engineering majoring in electrical and a master’s degree of engineering from University of Malaya in June 1982 and July 1991, respectively.

Teoh Siow Kiang先生（「Teoh先生」），66歲，自2017年1月起擔任本公司直接全資附屬公司Pentamaster Instrumentation的高級總經理。彼主要負責監督Pentamaster Instrumentation的日常營運。彼於2006年1月加入Pentamaster Instrumentation擔任總經理。

彼於1983年在Hitachi Semiconductor Sdn. Bhd.擔任TTL及CMOS集成電路測試工程師，後來加入惠普擔任LED測試專業工程師，而職責亦擴展至負責開發LED的研發工程師。於1999年，彼加入惠普分拆公司安捷倫科技公司，出任Instrument NPI工程經理。彼為於檳城設立電子測量儀器生產業務的先鋒團隊，隨後獲晉升為高級經理。

Teoh先生分別於1982年6月及1991年7月自馬來亞大學取得電機專業工程學榮譽學士學位及工程學碩士學位。

SENIOR MANAGEMENT 高級管理層

Mr. Teh Eng Chuan (“Mr. Teh”), aged 49, has been the chief operating officer of Pentamaster Technology since January 2015. Mr. Teh is primarily responsible for overseeing the daily operations of Pentamaster Technology. He joined as a vision software engineer of Pentamaster Technology in January 1996 and has over 20 years of experience in the machine vision, design and control. Mr. Teh completed a course of higher diploma in computer science in Kolej Damansara Utama (currently known as KDU Penang University College), Malaysia, in April 1995.

Teh Eng Chuan先生 (「Teh先生」)，49歲，自2015年1月起擔任Pentamaster Technology首席運營官。Teh先生主要負責監督Pentamaster Technology的日常營運。彼於1996年1月加入Pentamaster Technology擔任視覺軟件工程師，於機器視覺、設計及控制方面擁有逾20年經驗。Teh先生於1995年4月於馬來西亞Kolej Damansara Utama (現稱KDU Penang University College) 修畢計算機科學高級文憑課程。



Mr. Ng Chin Keng (“Mr. Ng”), aged 44, has been the chief operating officer of Pentamaster Equipment, a direct wholly-owned subsidiary of the Company since January 2015. Mr. Ng is primarily responsible for overseeing the daily operations of Pentamaster Equipment. He joined as an automation software programmer in January 2000. Mr. Ng obtained a bachelor’s degree of science in computing and information systems with honours from University of Lincolnshire & Humberside, United Kingdom, in July 2001.

Ng Chin Keng先生 (「Ng先生」)，44歲，自2015年1月起擔任本公司直接全資附屬公司Pentamaster Equipment首席運營官。Ng先生主要負責監督Pentamaster Equipment的日常營運。彼於2000年1月加入為自動化軟件程序員。Ng先生於2001年7月自英國University of Lincolnshire & Humberside 取得計算機及信息系統榮譽理學士學位。



SENIOR MANAGEMENT 高級管理層



YOU CHIN TEIK
Vice President 副總裁
New Business Development
新業務發展

Mr. You Chin Teik (“Mr. You”), aged 46, is the vice president of new business development and is primarily responsible for overseeing the research and development activities of our Group. He joined our Group as a vision engineer in January 1998. Mr. You obtained a higher diploma in computer studies from Kolej Damansara Utama (currently known as KDU Penang University College), Malaysia, in February 1998. He later obtained a degree of master of business administration from University of South Australia, Australia, in March 2009 through a distance learning course.

You Chin Teik先生(「You先生」)，46歲，為新業務發展的副總裁，主要負責監督本集團的研究及開發活動。彼於1998年1月加入本集團擔任視覺工程師。You先生於1998年2月自馬來西亞Kolej Damansara Utama (現稱KDU Penang University College) 取得電腦學高級文憑。彼其後於2009年3月透過遠程教育課程取得澳洲南澳大學的工商管理碩士學位。



ONG THEAN LYE
Chief Operating Officer 首席運營官
medical devices division
醫療設備分部

Mr. Ong Thean Lye (“Mr. Ong”), aged 63, is currently the chief operating officer of Pentamaster MediQ since its inception in 2020. He is primarily responsible for overseeing the daily operation of Pentamaster MediQ in the development of the medical devices business.

Mr. Ong started with Intel Technology Sdn. Bhd. as quality and reliability engineer from 1986 to 1990 before venturing into information technology business. He was a director of TP Concept Sdn. Bhd. from 2018 to 2020, a private company in the business of designing and manufacturing of automated assembly machine for medical products. Currently, Mr. Ong is the director of Walta Centre of Excellence (WCOE) Sdn. Bhd. and a member of the Industrial Advisory Panel (IAP) of the Electrical Engineering Technology Faculty of University Malaysia Perlis (UniMAP).

Mr. Ong graduated with a first class honours in his bachelor degree in applied science majoring in electronic technology in 1986 and later a master degree in the business administration (MBA) in 1996, where both the degrees are from University Science of Malaysia (USM).

Ong Thean Lye先生(「Ong先生」)，63歲，自Pentamaster MediQ於2020年創立以來為其首席運營官。彼主要負責Pentamaster MediQ有關發展醫療設備業務的日常營運。

於從事資訊科技業務前，Ong先生於1986年至1990年擔任Intel Technology Sdn. Bhd.的質量及可靠性工程師。彼於2018年至2020年為TP Concept Sdn. Bhd.的董事，從事設計及製造醫療產品自動組裝機業務的私人公司。現時，Ong先生為Walta Centre of Excellence (WCOE) Sdn. Bhd.總監及馬來西亞玻璃市大學(UniMAP)機電工程技術學院的行業諮詢小姐(IAP)成員。

Ong先生於1986年以一級榮譽畢業，獲頒授應用科學學士學位(主修電子科技)，其後於1996年獲頒授工商管理(MBA)碩士學位，兩個學位均由馬來西亞理科學大學(USM)頒發。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board recognises the importance of good corporate governance and the need to ensure that it is observed and practised throughout the Group. The Group strives to attain and maintain good corporate governance practices and is committed to achieving high standard of corporate governance and business ethics to safeguard the interests of shareholders of the Company and to enhance corporate value and accountability.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Rules governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). During the year and up to the date of this annual report, the Company has complied with all the applicable provisions of the CG Code. Other than disclosed below, the Company reviews its corporate governance practices regularly to ensure compliance with the CG Code.

COMPANY’S CULTURE

The Board believes that corporate culture underpins the long-term business, economic success and sustainable growth of the Group. A strong culture enables the Company to deliver long-term sustainable performance and fulfil its role as a responsible corporate citizen. The Company is committed to developing a positive and progressive culture that is built on its vision, mission and values, which are set out in this annual report.

The Board sets and promotes corporate culture and expects and requires all employees to reinforce. All of our new employees are required to attend orientation and training programs so that they may better understand our corporate culture, structure and policies, learn relevant laws and regulations, and raise their quality awareness. In addition, from time to time, the Company will invite external experts to provide training to our management personnel to improve their relevant knowledge and management skills. The Group promotes and fosters a conducive working environment such as open communication policy in order for the employees to stay motivated, and engagement among various teams, levels and departments. The Group’s employees are encouraged to be innovative to help foster interesting working environment.

The Board considers that the corporate culture and the purpose, values and strategy of the Group are aligned.

董事會認同良好企業管治的重要性，以及有必要確保在本集團內貫徹遵守與執行。本集團致力於達到並維持良好的企業管治常規，並且承諾會達到高標準的企業管治及業務操守，以此保障本公司股東的利益以及提升企業價格與誠信。

企業管治常規

本公司一直採納聯交所證券上市規則（「上市規則」）附錄十四所載的企業管治守則（「企管守則」）。於年內及直至本年報日期止期間，本公司一直遵守企管守則的全部適用條文。除下文披露者外，本公司定期檢討其企業管治常規，藉此確保遵守企管守則。

本公司文化

董事會相信，企業文化為本集團長期業務、經濟成功及可持續發展的基礎。強大的文化令本公司能夠帶來長期可持續的表現，並履行其作為負責任的企業公民的角色。本公司致力發展積極進取的文化，該文化建基於本年報所載的願景、使命及價值。

董事會制定及推廣企業文化，亦期望及要求全體員工鞏固企業文化。我們所有新員工都必須參與入職及培訓計劃，以令彼等更了解我們的企業文化、結構及政策、學習相關法律法規，並提高他們的質量意識。此外，本公司將不時邀請外部專家對我們的管理人員進行培訓，以提高他們的相關知識及管理技能。本集團提倡及營造良好工作環境，例如開放的溝通政策，以令員工保持積極，以及令各團隊、層級及部門之間保持互動。本集團鼓勵員工創新，以協助營造有趣的工作環境。

董事會認為企業文化與本集團的宗旨、價值及策略一致。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

Board composition

The Board is structured with a view to ensuring it is of a high calibre and has a balance of key skills and knowledge so that it works effectively as a team and individuals or groups do not dominate decision-making.

As at the date of this annual report, the Board comprises two executive Directors, one non-executive Director and three independent non-executive Directors. Details of their composition by category are as follows:

Executive Directors:

Mr. Chuah Choon Bin (*Chairman*)

Ms. Gan Pei Joo

Non-executive Director

Mr. Leng Kean Yong

Independent non-executive Directors

Dr. Chuah Jin Chong

Ms. Chan May May

Mr. Sim Seng Loong @ Tai Seng

Biographical details of the Directors are set out in the section headed "Directors and Senior Management" of this annual report. None of the members of Board is related to one another, save and except that Ms. Gan Pei Joo, the executive Director, is the sister-in-law of Mr. Chuah Choon Bin, the chairman and executive Director.

董事會

董事會成員

董事會的架構確保其具有出眾的才能，並對各主要範疇的技能與知識取得平衡，使其有效地以團隊方式運作，個別人士或小組不可獨攬決策。

於本年報日期，董事會包括兩名執行董事、一名非執行董事及三名獨立非執行董事。彼等按組別劃分的詳情如下：

執行董事：

Chuah Choon Bin先生 (*主席*)

Gan Pei Joo女士

非執行董事

Leng Kean Yong先生

獨立非執行董事

蔡仁鐘博士

陳美美女士

Sim Seng Loong @ Tai Seng先生

各董事的履歷載於本年報「董事及高級管理層」一節。除執行董事Gan Pei Joo女士為主席兼執行董事Chuah Choon Bin先生的姻親外，董事會成員彼此之間概無關連。

CORPORATE GOVERNANCE REPORT

企業管治報告

Roles and responsibilities of the Board

The Board is responsible for guiding and monitoring the Company and oversees the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. The Board delegates the day-to-day management of the business to the executive Directors and the management team. However, certain functions are specifically reserved for the Board which include the following:

- in conjunction with management, establishing a vision and strategies for the Group;
- approving the Group's annual business plan and budget;
- approving specific items of material capital expenditure, major acquisitions, investments and disinvestments;
- appointing Directors to the Board;
- approving any significant changes to accounting policies;
- approving public announcements, including financial statements;
- approving any interim dividends and recommending any final dividends to Shareholders;
- approving all circulars, statements and corresponding documents sent to Shareholders;
- approving the terms of reference and membership of Board Committees;
- approving Company policies which may be developed from time to time;
- providing leadership and strategic directions for the Group;
- overseeing the proper conduct of the business;

董事會的職責及責任

董事會的職責為領導及監察本公司及監督本集團的業務、策略性決定及表現，並共同負責指導及監督本公司事務，以促使其達致成功。董事會向執行董事及管理團隊指派日常業務管理工作。然而，若干職能特別保留予董事會處理，包括以下各項：

- 聯同管理層為本集團制定願景及策略；
- 批准本集團的年度業務計劃及預算；
- 批准重大資本開支、重大收購、投資及撤資的具體項目；
- 委任董事加入董事會；
- 批准會計政策的任何重大變動；
- 批准公開刊發的公告，包括財務報表；
- 批准向股東派發任何中期股息及建議任何末期股息；
- 批准向股東寄發的所有通函、報表及相應文件；
- 批准董事委員會的職權範圍及當中成員；
- 批准本公司不時可能建立的政策；
- 為本集團提供領導及策略方針；
- 監督正當的業務操守；

CORPORATE GOVERNANCE REPORT

企業管治報告

- ensuring prudent and effective controls and risk management system; and
- overseeing the development and implementation of shareholder communication policy.
- 確保審慎有效的監控及風險管理系統；及
- 監督股東通訊政策的建立與實施。

Chairman and Chief Executive

The CG Code provision C.2.1 requires that the roles of chairman and chief executive be separate and not performed by the same individual to ensure there is a clear division of responsibilities between the running of the Board and the executives who manage the business.

Mr. Chuah Choon Bin who is the chairman of the Board of the Company, provides leadership and is responsible for ensuring that the Board is functioning properly with good corporate governance practices and procedures. The Chairman also ensures that Board discussions are conducted in a manner that all views are taken into account before a decision is made.

The Company currently has not appointed any chief executive. The day-to-day management of business has been properly delegated to different individuals by the Board.

Ms. Gan Pei Joo, being the executive Director, is responsible for the overall management, corporate affairs, finance and control functions and budgeting of the Company. With the support of the senior management, the executive Directors have the general responsibility for day-to-day management of the Group's business, implementation of the policies of the Board and making operational decisions. The Board is regularly provided with adequate, complete and reliable information of the Company in a timely manner, which includes but not limited to, the recent development and prospects of the Group. Therefore, the Board considers that there is sufficient balance of power and authority between the Board and the management of the Company, and that power is not concentrated in the hands of any one individual.

主席及行政總裁

企管守則C.2.1條規定主席與行政總裁的角色應有區分，不應由同一人兼任，以確保管理董事會的人士與營運業務的行政人員的職責清楚區分。

Chuah Choon Bin先生為本公司董事會主席，負責領導並確保董事會依照良好的企業管治常規與程序妥善地運作。主席同時確保董事會的討論在達成決策之前已考慮到所有意見。

本公司現時並無委任任何行政總裁，而董事會已將日常管理業務妥善地指派予不同的個別人員。

執行董事Gan Pei Joo女士負責本公司整體管理、企業事務、財務、監控職能及預算。在高級管理層支持下，執行董事一般負責本集團的日常業務管理、推行董事會的政策及作出營運決策。董事會定期向本公司提供及時而充足、完備並可靠的資訊，包括但不限於本集團的近期發展與前景。因此，董事會認為董事會與本公司管理層之間已取得足夠的權力與權限平衡，並無將權力集中於任何一名個別人員身上。

CORPORATE GOVERNANCE REPORT

企業管治報告

Non-executive Directors and Independent non-executive Directors

The role of the non-executive Directors is to bring independent and objective judgment to the Board which mitigates risks arising from conflict of interest or undue influence from interested parties and protects the interest of minority shareholders. The Board recognizes that it is important to periodically assess whether a Director who is designated as independent continues to satisfy such designation. Towards this end, an assessment of independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules is carried out on each of the independent non-executive Directors annually by every other member of the Board.

After the assessment, all independent non-executive Directors fulfil the independence requirements set out in Rule 3.13 of the Listing Rules. The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his/her independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors to be independent. In compliance with Rule 3.13 of the Listing Rules, the Company has appointed three independent non-executive Directors, representing more than one-third of the Board.

The non-executive Director and independent non-executive Directors have signed respectively a letter of appointment with the Company for a term of three years. The term of appointment of each Director is subject to retirement by rotation and re-election at annual general meeting in accordance with the articles of association of the Company (the "Articles of Association") and the Listing Rules.

In 2022 and up to the date of this annual report, the Company does not grant nor have any plan to issue any equity-based remuneration with performance-related elements to all the independent non-executive Directors.

非執行董事及獨立非執行董事

非執行董事的職責為向董事會提供獨立而客觀的判斷，減輕因各利益相關方的利益衝突或過度影響而產生的風險，以及保障少數股東的利益。董事會認同，定期評估指定為獨立的董事是否繼續符合其獲指派獨立身份乃屬重要。為此，董事會各其他成員每年會按照上市規則第3.13條載列的獨立性指引，評估各獨立非執行董事的獨立性。

經評估後，全體獨立非執行董事均已符合上市規則第3.13條的獨立性要求。本公司已收到各獨立非執行董事按照上市規則第3.13條載列的獨立性指引就其獨立性發出的年度書面確認。本公司認為全體獨立非執行董事均屬於獨立人士。本公司已遵照上市規則第3.13條，委任三名獨立非執行董事，佔董事會超過三分之一人數。

非執行董事及獨立非執行董事已分別與本公司簽署委聘函，為期三年。根據本公司組織章程細則(「組織章程細則」)及上市規則，各董事的委任期須予輪席告退，並於股東週年大會上重選連任。

於2022年及截至本年報日期，本公司並無向全體獨立非執行董事授予且無計劃發任何與表現掛鈎的股權薪酬。

CORPORATE GOVERNANCE REPORT

企業管治報告

Tenure of Independent Non-Executive Directors

The CG Code provision B.2.4 requires that if an independent non-executive director has served more than nine (9) years, such director's further appointment should be subject to a separate resolution to be approved by the shareholders. The accompanying explanatory note to such resolution should explain why the Board (or the Company's nomination committee (the "Nomination Committee")) believes that the director is still independent and should be re-elected. In addition, the Company is required to disclose the length of tenure of all the independent non-executive Directors who have served more than nine (9) years on the Board or appoint a new independent non-executive Director at the forthcoming annual general meeting.

The independence of a Director is assessed at least annually which includes the tenure of an independent Director. In the event where the tenure of an independent non-executive director is close to nine (9) years, the Board through the Nomination Committee would assess several factors to determine the independence of the non-executive Director, failing which the Nomination Committee shall re-designate the non-executive Director to be non-independent. The Board may also consider identifying a suitable candidate to fill up the role of independent non-executive Director on the Board. As of the date of this Annual Report, the tenure of all the independent non-executive Directors is not more than nine (9) years.

In addition to the tenure of service, the Board also considers various factors to considerably determine the independence of a director.

獨立非執行董事任期

企業管治守則第B.2.4條規定，倘獨立非執行董事已任職超過九(9)年，則該董事的進一步任命應以單獨決議案獲得股東批准。該決議案所附的解釋說明應解釋董事會(或公司提名委員會(「提名委員會」))認為該董事仍然獨立並應重選連任的理由。此外，本公司須披露所有在董事會任職超過九(9)年的獨立非執行董事的任期或在應屆股東週年大會上委任新的獨立非執行董事。

董事的獨立性會至少每年評估一次，包括獨立董事的任期。倘獨立非執行董事的任期接近九(9)年，則董事會將透過提名委員會評估若干因素以確定非執行董事的獨立性，否則提名委員會會將非執行董事調任為非獨立董事。董事會亦可考慮物色合適人選以填補董事會內的獨立非執行董事職位。截至本年報日期，全體獨立非執行董事的任期均不超過九(9)年。

除服務任期外，董事會亦會考慮在很大程度上釐定董事獨立性的各種因素。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board diversity policy

The Board has adopted a board diversity policy (the “Board Diversity Policy”). The Company recognizes and embraces the importance and benefit to achieve diversity on the Company’s Board to corporate governance and the Board’s effectiveness. It endeavours to ensure that the Board has the appropriate balance of skills, experience and diversity of perspectives necessary to enhance the effectiveness of the Board and to maintain high standards of corporate governance. The Board nomination and appointments will continue to be made on merit basis based on its business needs from time to time while taking into account diversity. The Board shall also review the implementation and effectiveness of the Board Diversity Policy on an annual basis.

In accordance with the Board Diversity Policy, the Company has set below measurable objectives:

- Selection of board candidates shall be based on a range of diversity perspectives with reference to the Company’s business model and specific needs, including but not limited to gender, age, race, language, cultural background, educational background, industry experience and professional experience. In particular, when identifying potential candidates to the Board, the Nomination Committee and the Board will, among others, consider the current level of representation of different genders on the Board when making recommendations for nominees as well as succession planning to the Board and senior management.
- The Nomination Committee will discuss and where necessary, agree annually on the measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption. The Company aims to maintain an appropriate balance of diversity perspectives of the Board that are relevant to the Company’s business growth.
- The ultimate decision will be based on merit against objective criteria and contribution that the selected candidates will bring to the Board, taking into account the corporate strategy and business operations of the Company.

董事會多元化政策

董事會已採納董事會多元化政策（「董事會多元化政策」）。本公司認同並深信達致本公司董事會成員多元化對企業管治及董事會行之有效的重要性。多元化政策旨在確保董事會的成員在技能、經驗以及視角的多元化方面達到適當的平衡，從而提升董事會的有效運作並保持高標準的企業管治水平。董事會的提名及委任將繼續基於其不時的業務需要以各人的長處而決定，同時亦會顧及成員多元化。董事會亦會每年檢討董事會多元化政策的實施情況及成效。

根據董事會多元化政策，本公司已制定以下可計量目標：

- 甄選董事會候選人將以一系列多元化範疇為基準，並參考本公司的業務模式及特定需要，包括但不限於性別、年齡、種族、語言、文化背景、教育背景、行業經驗與專業經驗。尤其是，在物色董事會的潛在人選時，提名委員會及董事會（其中包括）在向董事會及高級管理層推薦被提名人以及繼任計劃時，會考慮董事會中不同性別的目前代表水平。
- 提名委員會會每年討論並（在必要時）就實現董事會多元化的可計量目標達成共識，並向董事會建議以供採納。本公司旨在維持與本公司業務增長相關的董事會多元化觀點的適當平衡。
- 最終決定將基於客觀標準的優點和選定候選人將為董事會帶來的貢獻，同時考慮到本公司的企業策及業務營運。

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- The Board is also committed to having a Board consisting of more than one gender. The Board should consist of at least one Director of a different gender who genuinely possesses the necessary skills, experience and calibre appropriate to the Company's business.
- The Board aims to ensure that there is at least one Director of a different gender on the Board and that this is maintained in accordance with the Listing Rules.
- In order to achieve and/or maintain gender diversity, the Nomination Committee will propose a pipeline of potential successors to the Board to achieve gender diversity.
- 董事會亦致力於擁有一個由不止一種性別組成的董事會。董事會應至少包括一名真正擁有適合本公司業務的必要技能、經驗及才能的不同性別董事。
- 董事會旨在確保董事會中至少有一名不同性別的董事，並根據上市規則予以維持。
- 為實現及／或維持性別多元化，提名委員會會向董事會建議若干潛在繼任人，以實現性別多元化。

During the year and as at the date of this annual report, the Board comprises six Directors, two of which are female. The Board targets to maintain at least the current level of female representation, with the ultimate goal of achieving gender parity. The following table further illustrates the diversity of the Board members as of the date of this annual report.

於本年度及於本年報日期，董事會由六位董事組成，其中兩位為女性。董事會的目標為至少保持目前的女性代表水平，最終目標為實現性別平等。下表進一步說明截至本年報日期董事會成員的多元化。

Name of Directors 董事姓名	Gender 性別	Age Group 年齡組別			Educational Background and Professional Experience 教育背景及專業經驗			
		40-49 40至49歲	50-59 50至59歲	60-69 60至69歲	Engineering 工程	Law 法律	Accountancy and Finance 會計及金融	Medicine 醫學
Mr. Chuah Choon Bin Chuah Choon Bin先生	Male 男性			✓	✓			
Ms. Gan Pei Joo Gan Pei Joo女士	Female 女性	✓					✓	
Mr. Leng Kean Yong Leng Kean Yong先生	Male 男性	✓					✓	
Mr. Sim Seng Loong @ Tai Seng Sim Seng Loong @ Tai Seng先生	Male 男性		✓				✓	
Dr. Chuah Jin Chong 蔡仁鐘博士	Male 男性			✓				✓
Ms. Chan May May 陳美美女士	Female 女性		✓			✓		

During the year, the Board has reviewed the implementation and the effectiveness of Board Diversity Policy, and is of the opinion that each of the Board members possessed different educational background and professional experience including engineering, law, accountancy and finance and medicine. The Board is satisfied that it is characterized by significant diversity in terms of gender, age, educational background and professional experience.

年內，董事會已檢討董事會多元化政策的實施情況及成效，並認為每位董事會成員均擁有不同的教育背景及專業經驗，包括工程、法律、會計及金融以及醫學。董事會信納在性別、年齡、教育背景及專業經驗方面表現出豐富的多元性。

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Workforce diversity

The Board recognises and embraces the benefits of having a diverse workforce (the “Workforce”) of Group to enhance the quality of its performance. As such, the Board has adopted a workforce diversity policy.

With a view to achieving a sustainable and balanced development, the Group sees increasing diversity at the Workforce as an essential element in supporting the attainment of its strategic objectives and its sustainable development. To achieve diversity on the Workforce of the Group, selection of the employee candidates shall be based on a range of diversity perspectives with reference to the Company's business model and specific needs, including but not limited to gender, age, race, language, cultural background, educational background, industry experience and professional experience.

The Group will endeavour to identify and implement programs that will assist in the development of a broader and more diverse pool of skilled and experienced employees or individuals and that, over time, their skills will prepare them for senior management and/or board positions.

The gender ratio (female-to-male composition) in the workforce (including senior management) for the year ended 31 December 2022 is 17.6% to 82.4%. For further details of gender ratio, please refer to the disclosure in the environmental, social and governance report of the Company.

員工多元化

董事會了解並欣然接受本集團擁有多元化員工（「員工」）以提高其表現質量的裨益。因此，董事會已採納員工多元化政策。

為達致可持續及均衡發展，本集團視員工日益多元化為支持實現其策略目標及可持續發展的重要因素。為實現本集團員工多元化，員工候選人會參考本公司的業務模式及具體需要，並根據一系列多元化觀點選擇，包括但不限於性別、年齡、種族、語言、文化背景、教育背景、行業經驗及專業經驗。

本集團會努力物色並實施有助於培養更廣泛、更多元化技能及經驗豐富員工或個人的計劃，令彼等的技能隨時間為高級管理層及／或董事會職位做好準備。

截至2022年12月31日止年度，員工（包括高級管理層）的性別比例（女性對男性的構成）為17.6%及82.4%。有關性別比例的進一步詳情，請參閱本公司環境、社會及管治報告的披露資料。

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Policy on obtaining independent views and input

In 2022, the Board has adopted the policy on obtaining independent views and input (the “Board Independence Policy”), which demonstrates the Company’s commitment to high standards of corporate governance, and making good governance integral to the Company’s culture.

According to the Board Independence Policy, the Chairman of the Board has a responsibility to provide the Board with all the information that is relevant to the discharge of the Board’s responsibilities. The Board therefore, expects to receive timely advice on all material information about the activities, performance and projects of the Group, particularly including any significant variances from a planned course of action.

The Board, Board committees or individual Directors may seek such independent professional advice, views and input as considered necessary to fulfil their responsibilities and in exercising independent judgement when making decisions in furtherance of their Directors’ duties at the Company’s expense (the “Mechanism”). The Mechanism is established to ensure independent views and input are available to the Board and should be disclosed in the Corporate Governance Report of the Company.

In the event that independent professional advice, views and input are considered necessary, the Board shall first communicate with the company secretary and provide background and details of the relevant matters which require independent views and input. The Board may direct any questions, queries, concerns or specific advice to be sought to the company secretary or elect anyone in charge who will then contact the Company’s professional advisers within a reasonable period of time. Any advice received from professional advisers shall be received in written form and duly documented. The Board is expected to exercise independent judgement in forming their decisions from professional advice given.

取得獨立意見及觀點的政策

於2022年，董事會已採納取得獨立意見及觀點的政策（「董事會獨立性政策」），顯示本公司致力於高水平的公司治理，並將良好治理融入本公司文化。

根據董事會獨立政策，董事會主席有責任向董事會提供與履行董事會職責相關的所有資料。因此，董事會預期及時收到有關本集團活動、表現及項目的所有重要資料的建議，尤其是包括與計劃行動方案之間的任何重大差異。

董事會、董事委員會或個別董事可尋求其視為必要的有關獨立專業建議、意見及觀點以履行其職責，並在作出決定以履行其董事職責時作出獨立判斷，費用由本公司承擔（「該機制」）。該機制旨在確保董事會能夠取得獨立意見及觀點，並應於本公司的企業管治報告中披露。

倘獨立專業建議、意見及觀點被視為屬必要，董事會應首先與公司秘書溝通，並提供需要獨立意見及觀點的相關事宜背景及詳情。董事會可將任何疑問、查詢、疑慮或具體建議轉交公司秘書或選出任何負責人在合理時間內聯繫本公司專業顧問。從專業顧問處收到的任何建議均應以書面形式接收並妥善記錄。董事會應根據獲提供的專業意見行使獨立判斷以作出決定。

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The Board also has access to senior management which will be brought into formal and informal contact at the Board meetings or other corporate events. The Board has full access to all information provided by the senior management.

The Board has reviewed and considered the implementation of the Board Independence Policy and Mechanism to be effective during the year.

Board committee

The Board has established three committees, namely the audit committee (the “Audit Committee”), remuneration committee (the “Remuneration Committee”) and Nomination Committee on 19 December 2017, to oversee particular aspects of the Group’s affairs. Each of the three committees has sufficient resources and its specific terms of reference that are approved by the Board, relating to its responsibilities, duties, powers and functions, which are posted to the Stock Exchange’s website and the Company’s website.

The Board committees will regularly report to the Board on decisions or recommendations made.

Audit committee

The Company has established the Audit Committee pursuant to a resolution of the Board passed on 19 December 2017 with written terms of reference in compliance with the CG Code and Rules 3.21 of the Listing Rules. The Audit Committee is primarily responsible for (i) reviewing and monitoring the financial reporting, risk management and internal control systems of the Company, (ii) making recommendations to the Board on the appointment and removal of external auditors; (iii) performing the Company’s corporate governance functions; and (iv) to monitor continuing connected transactions (if any).

The Audit Committee currently consists of the non-executive Director, namely Mr. Leng Kean Yong and two independent non-executive Directors, namely Mr. Sim Seng Loong @ Tai Seng and Ms. Chan May May. Mr. Sim Seng Loong @ Tai Seng who is the chairman of the Audit Committee holds the appropriate professional qualifications as required under Rules 3.10(2) of the Listing Rules.

董事會亦可接觸高級管理層，彼等會於董事會會議或其他公司活動中進行正式及非正式接觸。董事會可完全存取高級管理層提供的所有資料。

董事會已檢討並認為董事會獨立性政策及該機制的實施在年內有效。

董事委員會

董事會已於2017年12月19日成立三個委員會，分別為審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會，負責監督本集團特定範疇的事務。三個委員會各自備有充足資源，而其經由董事會批准的具體職權範圍（有關其責任、職責、權力及職能）已刊登於聯交所網站及本公司網站。

董事委員會將定期向董事會匯報其決策或建議。

審核委員會

本公司已根據於2017年12月19日通過的董事會決議案成立審核委員會，並且遵照企管守則及上市規則第3.21條訂定書面職權範圍。審核委員會主要負責(i)檢討及監察本公司的財務申報、風險管理及內部監控系統；(ii)就外聘核數師的委任及罷免向董事會提出建議；(iii)履行本公司的企業管治職能；及(iv)監察持續關連交易（如有）。

審核委員會目前包括非執行董事Leng Kean Yong先生，以及兩名獨立非執行董事Sim Seng Loong @ Tai Seng先生及陳美美女士。Sim Seng Loong @ Tai Seng先生為審核委員會主席，持有上市規則第3.10(2)條規定的適當專業資格。

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Pursuant to the terms of reference of the Audit Committee, Audit Committee meeting shall be held at least twice every year or more frequently if circumstances require. During the year ended 31 December 2022, four Audit Committee meetings were held, among other things, to review and consider the followings:

- (a) reviewed the quarterly, interim and annual financial results of the Company as well as its results announcement and subsequently presented the relevant reports to the Board for approval before its subsequent release to Stock Exchange's website and the Company's website;
- (b) monitored the Group's financial controls, internal control and risk management systems;
- (c) reviewed the effectiveness of the internal audit function of the Group;
- (d) reviewed the external auditors' management letter and any material queries or issues raised by the auditor; and
- (e) reviewed the remuneration, qualifications and independence of the external auditor.

根據審核委員會的職權範圍，審核委員會須每年舉行至少兩次會議，或如情況需要，則更頻密地舉行會議。於截至2022年12月31日止年度，審核委員會曾舉行四次會議，以審閱及考慮（其中包括）下列事項：

- (a) 定期審閱本公司的季度、中期及年度財務業績及其業績公告，隨後於後期在聯交所網站及本公司網站發佈之前，呈交有關報告供董事會批准；
- (b) 監察本集團的財務監控、內部監控及風險管理系統；
- (c) 審閱本集團內部審核職能的成效；
- (d) 審閱外聘核數師的管理層函件，以及核數師提出的任何重大質詢或問題；及
- (e) 審閱外聘核數師的酬金、資格及獨立性。

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Remuneration committee

The Company has established the Remuneration Committee pursuant to a resolution of the Board passed on 19 December 2017 with written terms of reference in compliance with the CG Code. The primary duties of the Remuneration Committee are (i) to review and make recommendations to the Board on the Company's policy and structure for all directors' and senior management's remuneration; (ii) to review the Group's policy on expense reimbursements for the Directors and senior management; (iii) to make recommendations to the Board on the remuneration of non-executive Directors; and (iv) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.

The Remuneration Committee currently consists of one non-executive Director, Mr. Leng Kean Yong, and two independent non-executive Directors, namely Mr. Sim Seng Loong @ Tai Seng (*Chairman*) and Dr. Chuah Jin Chong.

Pursuant to the terms of reference of the Remuneration Committee, Remuneration Committee meeting shall be held at least once every year. During the year ended 31 December 2022, one Remuneration Committee meeting was held. The following is a summary of work performed by the Remuneration Committee during the year:

- (i) review and make recommendation to the Board regarding the remuneration packages of Directors and senior management;
- (ii) review and make recommendation to the Board the Company's policy for the remuneration of Directors and senior management;
- (iii) review and make recommendation to the Board the proposed grant of award shares. While considering the grant of award shares, the Remuneration Committee had evaluated the remuneration of the grantees in comparable market peer and the value of grant to the grantees. After considering those factors, the Remuneration Committee recommended the proposed grant of award shares to the grantees to the Board for approval to recognise and appreciate the grantees' contributions and commitment to the Group which align with the purpose of the share award scheme of the Company.

薪酬委員會

本公司已根據於2017年12月19日通過的董事會決議案成立薪酬委員會，並且遵照企管守則訂定書面職權範圍。薪酬委員會的主要職責為(i)就本公司有關全體董事及高級管理層的薪酬政策及架構進行檢討及向董事會提出建議；(ii)檢討本集團的董事及高級管理層報銷開支政策；(iii)就非執行董事的薪酬向董事會提出建議；及(iv)考慮同類公司支付的薪金，須付出的時間及職責，以及本集團內其他職位的僱用條件。

薪酬委員會目前包括一名非執行董事Leng Kean Yong先生，以及兩名獨立非執行董事Sim Seng Loong @ Tai Seng先生(主席)及蔡仁鐘博士。

根據薪酬委員會的職權範圍，薪酬委員會須每年舉行至少一次會議。於截至2022年12月31日止年度，薪酬委員會曾舉行一次會議。以下為薪酬委員會於年內進行的工作概要：

- (i) 就董事及高級管理層的薪酬待遇進行檢討及向董事會提出建議；
- (ii) 就本公司的董事及高級管理層薪酬政策進行檢討及向董事會提出建議；
- (iii) 就建議授出獎勵股份進行檢討及向董事會提出建議。在考慮授予獎勵股份時，薪酬委員會已評估承授人在可資比較市場同行中的薪酬以及授予承授人的價值。考慮該等因素後，薪酬委員會建議董事會批准向承授人授出獎勵股份的建議，以認可及讚賞承授人對本集團的貢獻及承擔，其符合本公司股份獎勵計劃的宗旨。

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Details of the Directors' remuneration for the year are set out in Note 11 to the consolidated financial statements. The remuneration of the senior management of the Group by band for the year ended 31 December 2022 is set out below:

董事於年內的薪酬詳情載於綜合財務報表附註11。本集團高級管理層於截至2022年12月31日止年度的薪酬按等級劃分如下：

Remuneration bands	薪酬等級	Number of senior management 高級管理人員 數目
HK\$1,000,001 to HK\$1,300,000	1,000,001港元至1,300,000港元	4
HK\$0 to HK\$1,000,000	零港元至1,000,000港元	2
		6

Directors' remuneration policy

The remuneration policy for the Directors are the emoluments of the Directors be determined by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

董事薪酬政策

董事的薪酬政策為薪酬委員會根據本集團的經營業績、個人表現及可資比較市場統計數據釐定的董事薪酬。

Share Award Scheme

The Company adopted a share award scheme (the "Scheme") in which the Group's employees will be entitled to participate on 1 April 2020 (the "Adoption Date").

股份獎勵計劃

於2020年4月1日（「採納日期」），本公司採納一項股份獎勵計劃（「該計劃」），本集團的僱員將有權參與該計劃。

The purpose of the Scheme is to recognise the contributions by certain employees and to incentivise them to achieve the Group's long-term business goals and objectives. The Scheme also serves as part of the Group's employee retention program in retaining its existing employees and to attract suitable personnel for further development of the Group.

該計劃的目的是表彰若干僱員的貢獻，並激勵彼等實現本集團的長期業務目標。該計劃亦作為本集團僱員保留計劃的一部分，以挽留其現時的僱員並吸引合適的人員以推動本集團的進一步發展。

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The Scheme shall be subject to the administration of the Board and the trustee in accordance with the scheme rules and the trust deed of the Scheme. Subject to any early termination as may be determined by the Board, the Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date. As at the date of this report, the remaining life of the Scheme was approximately seven years.

The maximum number of shares to be subscribed for and/or purchased by the trustee by applying the trust fund of the Scheme for each calendar year for the purpose of the Scheme shall not exceed 5% of the total number of issued shares of the Company (the "Shares") as at the beginning of such calendar year. The Directors shall not instruct the trustee to subscribe and/or purchase any shares for the purpose of the Scheme when such subscription and/or purchase will result in the said limit being exceeded. The maximum number of shares which maybe awarded to a selected employee under the Scheme shall not exceed 1% of the total number of issued Shares from time to time.

Details of the award shares granted

On 4 January 2021, the Board approved the grant of an aggregate of 11,402,000 award shares (the "2021 Award Shares") (amounting to approximately 0.71% of the total issued Shares) to selected employees (the "2021 Grantees") in accordance with the terms of the Scheme as at the date of this report. The 2021 Grantees are not required to make any payment in respect of the 2021 Award Shares.

Among the 2021 Award Shares, 150,000 Award Shares were granted to Ms. Gan Pei Joo, the executive Director. The 2021 Award Shares will be satisfied, upon the satisfaction or waiver (as the case may be) of all the relevant vesting conditions, by existing Shares to be acquired by the trustee through on-market purchases. The trustee purchased 3,110,000 Shares during 2021.

On 7 July 2021, allotment and issue of shares pursuant to the bonus issue of one (1) bonus Share for every two (2) existing Shares held on 22 June 2021. As such, the total 2021 Award Shares would be 17,103,000 award shares.

該計劃將由董事會及受託人按照計劃規則及該計劃的信託契約實施管理。除董事會可能釐定的任何提早終止外，該計劃將維持有效及有效期為10年，並自採納日期起生效。於本報告日期，該計劃的餘下年期約為七年。

受託人就該計劃於透過在各曆年動用該計劃信託基金將予認購及／或購買的股份數目上限，且不得超過於該曆年初的本公司已發行股份（「股份」）總數的5%。倘有關認購及／或購買將導致超出上述限額，則本公司董事不得指示受託人就該計劃認購及／或購買任何股份。該計劃項下選定僱員可獲獎勵之股份數目上限不得超過不時已發行股份總數的1%。

已授出獎勵股份詳情

於2021年1月4日，董事會批准根據於本報告日期的計劃條款向選定員工（「2021年承授人」）授予合共11,402,000股獎勵股份（「2021年獎勵股份」）（佔已發行股份總數約0.71%）。2021年承授人毋須就2021年獎勵股份支付任何款項。

在2021年獎勵股份中，150,000股獎勵股份已授予執行董事Gan Pei Joo女士。在達成或豁免（視乎情況而定）所有相關歸屬條件後，2021年獎勵股份將由受託人透過場內購買收購的現有股份支付。受託人於2021年購買3,110,000股股份。

於2021年7月7日，已根據2021年6月22日持有的每兩(2)股現有股份發行一(1)股紅股的紅股發行配發及發行股份。因此，2021年獎勵股份總數將為17,103,000股獎勵股份。

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On 1 July 2022, the Board approved the grant of an aggregate of 18,000,000 award shares (the “2022 Award Shares”) (amounting to approximately 0.75% of the total issued Shares) to selected employees (the “2022 Grantees”) in accordance with the terms of the Scheme as at the date of this report. The 2022 Grantees are not required to make any payment in respect of the 2022 Award Shares.

Among the 2022 Award Shares, 250,000 Award Shares were granted to Ms. Gan Pei Joo, the executive Director. The 2022 Award Shares will be satisfied, upon the satisfaction or waiver (as the case may be) of all the relevant vesting conditions, by existing Shares to be acquired by the trustee through on-market purchases. The trustee purchased 24,618,000 Shares during 2022.

On the basis of a total of 1,600,000,000 Shares in issue as at the Adoption Date, the maximum number of shares permitted to be issued under the Scheme is 80,000,000 Shares (120,000,000 Shares after adjusted to reflect the bonus issue of shares in 2021), which represents approximately (but not more than) 5% of the total issued Shares as at the Adoption Date. The maximum number of shares which may be awarded to individual selected employee under the Scheme shall not exceed 1% of the total number of issued shares from time to time.

As at 1 January 2022, there were 102,897,000 award shares available for grant under the Scheme. During 2022, 18,000,000 award shares were granted, and accordingly as at 31 December 2022, there were 84,897,000 award shares available for grant under the Scheme. No 2021 Grantees and 2022 Grantees have been granted award shares exceeding 1% of the total issued Shares. 1,539,776 award shares were cancelled, forfeited, expired or lapsed during the year ended 31 December 2022. Details of the outstanding award shares during the year ended 31 December 2022 is as follows:

於2022年7月1日，董事會批准根據於本報告日期的計劃條款向選定員工（「2022年承授人」）授予合共18,000,000股獎勵股份（「2022年獎勵股份」）（佔已發行股份總數約0.75%）。2022年承授人毋須就2022年獎勵股份支付任何款項。

在2022年獎勵股份中，250,000股獎勵股份已授予執行董事Gan Pei Joo女士。在達成或豁免（視乎情況而定）所有相關歸屬條件後，2022年獎勵股份將由受託人透過場內購買收購的現有股份支付。受託人於2022年購買24,618,000股股份。

按採納日期的已發行股份總數1,600,000,000股計算，該計劃項下允許發行的最高股份數量為80,000,000股獎勵股份（經2021年紅股發行調整後為120,000,000股股份），佔（但不超過）於採納日期的已發行股份總數約5%。根據該計劃可授予個別選定僱員的最高股份數目不得超過不時已發行股份總數的1%。

截至2022年1月1日，根據該計劃可授予102,897,000股獎勵股份。於2022年，已授出18,000,000股獎勵股份，因此於2022年12月31日，根據該計劃可授予的獎勵股份為84,897,000股。概無2021年承授人及2022年承授人獲授予超過已發行股份總數1%的獎勵股份。截至2022年12月31日止年度，1,539,776股獎勵股份已被註銷、沒收、到期或失效。截至2022年12月31日止年度的已發行獎勵股份詳情如下：

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Name of grantees of Award Shares	Date of Grant	Vesting Period	Purchase price	Number of award shares 獎勵股份數目					Closing price of Shares immediately before the grant during the year (HKD)	Fair value of awards at the date of grant during the year and the accounting standard and policy adopted (Note 3) (HKD)	Weighted average closing price of the Share immediately before the date of vesting during the year (HKD)
				Unvested award shares as at 1 January 2022	Granted during 2022	Vested during 2022	Cancelled/lapsed during 2022	Unvested award shares as at 31 December 2022			
獎勵股份承授人姓名	授予日期	歸屬期	購買價	於2022年1月1日未歸屬的獎勵股份	於2022年授予	於2022年歸屬	於2022年註銷/失效	於2022年12月31日未歸屬的獎勵股份	年內緊接授予前的股份收市價(港元)	年內獎勵於授予日期的公平值及所採納的會計準則及政策(附註3)(港元)	年內緊接歸屬日期前股份的加權平均收市價(港元)
Ms. Gan Pei Joo (Executive Director)	4 January 2021	4 January 2021 to 3 January 2023 (Note 1)	Nil	150,000	-	75,000	-	75,000	-	-	1.0954 (note 4) (附註4)
Gan Pei Joo女士(執行董事)	2021年1月4日	2021年1月4日至2023年1月3日(附註1)	無								
	1 July 2022 2022年7月1日	1 July 2022 to 1 July 2024 (Note 2) 2022年7月1日至2024年7月1日(附註2)	Nil 無	- 無	250,000	83,333	-	166,667	0.9200	0.9200	0.9211
Employees (in aggregate)	4 January 2021	4 January 2021 to 3 January 2023 (Note 1)	Nil	10,732,611	-	5,366,153	705,764	4,660,694	-	-	1.0954 (note 4) (附註4)
僱員(總計)	2021年1月4日	2021年1月4日至2023年1月3日(附註1)	無								
	1 July 2022 2022年7月1日	1 July 2022 to 1 July 2024 (Note 2) 2022年7月1日至2024年7月1日(附註2)	Nil 無	- 無	17,750,000	5,916,667	834,012	10,999,321	0.9200	0.9200	0.9211
Total 總計				10,882,611	18,000,000	11,441,153	1,539,776	15,901,682			

Notes:

- The granted shares vest on three equal annual basis and at the beginning of the vesting period with the first vesting date on 4 January 2021.
- The granted shares vest on three equal annual basis and at the beginning of the vesting period with the first vesting date on 1 July 2022.
- The fair values of the awards shares granted during the year ended 31 December 2022 were determined based on the market value of the Shares at the respective grant dates.
- The closing price/fair value of the granted Shares/weighted average closing price of the Share has been adjusted to reflect the bonus issue of shares in 2021

附註：

- 已授予的股份按三年等額基準於歸屬期初歸屬，首個歸屬日期為2021年1月4日。
- 已授予的股份按三年等額基準於歸屬期初歸屬，首個歸屬日期為2022年7月1日。
- 截至2022年12月31日止年度已授予獎勵股份的公平值乃根據股份在各授出日期的市值釐定。
- 已授出股份的收市價/公平值/股份加權平均收市價已作調整，以反映2021年的紅股發行。

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Nomination committee

The Company has established the Nomination Committee pursuant to a resolution of the Board passed on 19 December 2017 with written terms of reference in compliance with the CG Code. The primary duties of the Nomination Committee are (i) to review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually; (ii) to identify individuals suitably qualified to become Board members; (iii) to assess the independence of independent non-executive Directors; (iv) to make recommendations to the Board on the appointment or re-appointment of Directors; and (v) to review the policy on Board diversity.

The Nomination Committee currently consists of all three independent non-executive Directors, namely Dr. Chuah Jin Chong (*Chairman*), Mr. Sim Seng Loong @ Tai Seng and Ms. Chan May May.

Pursuant to the terms of reference of the Nomination Committee, Nomination Committee meeting shall be held at least once every year. During the year ended 31 December 2022, one Nomination Committee meeting was held, among other things, to review and consider the followings:

- (a) the retirement and re-nomination of directors for re-election at the forthcoming annual general meeting of the Company;
- (b) the independence of the independent non-executive directors;
- (c) the Board structure, size, composition and board diversity (including skills, knowledge and experience etc.); and
- (d) the effectiveness of the Board Diversity Policy and the Directors' nomination policy of the Company.

提名委員會

本公司已根據於2017年12月19日通過的董事會決議案成立提名委員會，並且遵照企管守則訂定書面職權範圍。提名委員會的主要職責為(i)至少每年檢討董事會的架構、人數及組成(包括技能、知識、經驗及多元化方面)；(ii)物色具備合適資格可擔任董事的人士；(iii)評核獨立非執行董事的獨立性；(iv)就董事委任或重新委任向董事會提出建議；及(v)檢討董事會多元化政策。

提名委員會目前包括全體三名獨立非執行董事蔡仁鐘博士(主席)、Sim Seng Loong @ Tai Seng先生及陳美美女士。

根據提名委員會的職權範圍，提名委員會須每年舉行至少一次會議。於截至2022年12月31日止年度，提名委員會曾舉行一次會議，以檢討及考慮(其中包括)下列事項：

- (a) 於本公司應屆股東週年大會上的董事退任及重新提名以作重選；
- (b) 獨立非執行董事的獨立性；
- (c) 董事會的架構、人數、組成及董事會多元化(包括技能、知識及經驗等方面)；及
- (d) 董事會多元化政策及本公司的董事提名政策的效用。

CORPORATE GOVERNANCE REPORT

企業管治報告

Nomination policy

The Board has adopted a nomination policy which set out the criteria and process in the nomination and appointment of Directors. The policy stipulates the key selection criteria of the Company for the nomination of Directors as set out below.

- (a) character and integrity;
- (b) qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- (c) willingness to devote adequate time to discharge duties as a Board member and other directorships and significant commitments;
- (d) requirement for the Board to have independent directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules;
- (e) the Company's Board Diversity Policy and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board;
- (f) such other perspectives appropriate to the Company's business and succession planning and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of Directors and succession planning; and
- (g) to ensure that there is at least one Director of a different gender on the Board and that this is maintained in accordance with the Listing Rules.

The Board has the relevant procedures for Directors' nomination which are pursuant to Listing Rules and the Articles of Association. The details are set out in the section headed "Appointment and re-election of Directors" in this annual report.

提名政策

董事會已採納提名政策，當中述明提名及委任董事的標準及程序。該政策訂明本公司有關提名董事的關鍵選擇標準如下：

- (a) 品質及誠信；
- (b) 資格（包括與本公司業務及企業策略相關的專業資格、技能、知識及經驗）；
- (c) 願意投入足夠時間履行作為董事會成員的職責及其他董事職責以及重大承擔；
- (d) 上市規則要求董事會必須包含獨立董事的規定及根據上市規則所載的獨立指引候選人是否被視為獨立人士；
- (e) 本公司董事會多元化政策及提名委員會為實現董事會成員多元化所採納的任何可計量目標；
- (f) 適合本公司業務及繼任規劃的有關其他方面（及倘適用）可能會由董事會及／或提名委員會不時就提名董事及繼任規劃而採納及／或修改；及
- (g) 確保董事會中至少有一名不同性別的董事，並根據上市規則予以維持。

董事會具有董事提名的相關程序，該等程序乃根據上市規則及組織章程細則制定。有關詳情載於本年報「委任及重選董事」一節。

CORPORATE GOVERNANCE REPORT

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Attendance Records of Meetings

會議出席記錄

The attendance of each Director at Board meetings, Audit Committee meeting, Remuneration Committee meeting, Nomination Committee meeting and general meeting during the year is set out in the following table:

各董事於年內出席董事會會議、審核委員會會議、薪酬委員會會議、提名委員會會議及股東大會的情況載列於下表：

	Board Meeting 董事會會議	Audit Committee meeting 審核委員會會議	Remuneration Committee meeting 薪酬委員會會議	Nomination Committee meeting 提名委員會會議	General meeting 股東大會
Number of meetings held during the year 年內已舉行會議數目	4	4	1	1	1
Name of Directors 董事名稱	Number of meetings attended/Number of meetings entitled to attend 已出席會議數目／有權出席會議數目				
Executive Directors 執行董事					
Mr. Chuah Choon Bin (<i>Chairman</i>) Chuah Choon Bin先生 (主席)	4/4	4/4	1/1	1/1	1/1
Ms. Gan Pei Joo Gan Pei Joo女士	4/4	4/4	1/1	1/1	1/1
Non-executive Director 非執行董事					
Mr. Leng Kean Yong Leng Kean Yong先生	4/4	4/4	1/1	1/1	1/1
Independent non-executive Directors 獨立非執行董事					
Dr. Chuah Jin Chong 蔡仁鐘博士	4/4	4/4	1/1	1/1	1/1
Ms. Chan May May 陳美美女士	4/4	4/4	1/1	1/1	1/1
Mr. Sim Seng Loong @ Tai Seng Sim Seng Loong @ Tai Seng先生	4/4	4/4	1/1	1/1	1/1

CORPORATE GOVERNANCE REPORT

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Corporate Governance Functions

The Audit Committee is responsible for performing the corporate governance functions in compliance with the code provision A.2.1 of the CG Code, and discussed (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board; (b) to review and monitor the training and continuous professional development ("CPD") of the Directors and senior management; (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and the Directors; and (e) to review the Company's compliance with the code and disclosure in this Corporate Governance Report.

Appointment and re-election of Directors

Each of the executive Directors has entered into a service contract with the Company and is appointed for a specific term of three years unless terminated by not less than three months' notice in writing served by either the executive Director or the Company. The non-executive Director and each of the independent non-executive has entered into a letter of appointment with the Company and is appointed for a specific term of three years.

The Company uses a formal and transparent procedure for the appointment, election and removal of Directors, which is set out in the Articles of Association and is led by the Nomination Committee, which will make recommendations to the Board for approval on appointing new Directors.

Potential new Board members are identified on the basis of skills and experience which, in the opinion of the Directors, will enable them to make a positive contribution to the performance of the Board.

企業管治職能

審核委員會負責遵照企管守則的守則條文A.2.1條履行企業管治職能，以及討論以(a)制訂及檢討本公司的企業管治政策及常規，從而向董事會提出建議；(b)檢討及監察董事及高級管理層的培訓及持續專業發展（「持續專業發展」）；(c)檢討及監察本公司有關遵守法律及監管要求的政策及常規；(d)制定、檢討及監察適用於僱員及董事的操守準則及合規手冊（如有）；及(e)檢討本公司遵守本企業管治報告所載守則及披露事宜的情況。

委任及重選董事

各執行董事已與本公司訂立服務合約，除非由執行董事或本公司發出不少於三個月的書面通知而終止，否則獲委任年期指定為三年。非執行董事及各獨立非執行董事已與本公司訂立委聘函，獲委任年期指定為三年。

本公司採用正式且透明的程序以委任、選舉及罷免董事，詳情載於組織章程細則，並由提名委員會主導，其將就委任新董事提出建議以供董事會批准。

具潛力加入的新董事會成員，應具備董事會認為能對董事會的表現帶來正面貢獻的技能及經驗。

CORPORATE GOVERNANCE REPORT

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The procedures and process of appointment, re-election and removal of Directors are laid down in the Articles of Association. The Nomination Committee is responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession planning of Directors and assessing the independence of independent non-executive Directors.

All Directors are subject to retirement and re-election in accordance with the Articles of Association. Pursuant to the Articles of Association, one-third of all Directors (whether executive or non-executive) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation and re-election at each annual general meeting at least once every three years.

The Articles of Association provides that any Director appointed by the Board to fill a casual vacancy in the Board shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

Full details of changes in the Board during the year and up to the date of this annual report are provided in the section of this annual report headed "Directors' Report".

有關委任、重選及罷免董事的程序及過程，載列於組織章程細則。提名委員會負責檢討董事會的組成，建立及制定提名及委任董事的相關程序，監察董事的委任及繼任計劃，以及評估獨立非執行董事的獨立性。

根據組織章程細則，全體董事均須退任並重選連任。根據組織章程細則，全體董事（不論執行或非執行董事）的三分之一須輪席告退，惟每名董事均須最少每三年輪席告退一次並於各股東週年大會上重選連任。

組織章程細則規定，任何獲董事會委任以填補董事會臨時空缺的董事任期將於本公司首屆股東週年大會舉行時屆滿，其後則於該大會上合資格重選連任。

董事會於年內直至本年報日期的變動詳情於本年報「董事會報告」一節提供。

CORPORATE GOVERNANCE REPORT

企業管治報告

Continuous professional development

According to code provision C.1.4 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. The Directors recognise the need to continue to undergo relevant training programs to update their knowledge and enhance their skills where relevant to enable them to sustain their active participation as a board member. During the year ended 31 December 2022, the Directors participated in the following training:

持續專業發展

根據企管守則的守則條文C.1.4條，所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。董事認識到有必要繼續接受相關的培訓計劃，以更新其知識及提高其相關技能，使彼等能夠作為董事會成員繼續積極參與。於截至2022年12月31日止年度，董事曾參與下列培訓：

Name of Directors	董事姓名	Type of trainings	培訓類型
Executive Directors		執行董事	
Mr. Chuah Choon Bin (Chairman)	Chuah Choon Bin先生 (主席)	A, B, C	
Ms. Gan Pei Joo	Gan Pei Joo女士	A, B, C	
Non-executive Director		非執行董事	
Mr. Leng Kean Yong	Leng Kean Yong先生	A, B, C	
Independent non-executive Directors		獨立非執行董事	
Dr. Chuah Jin Chong	蔡仁鐘博士	A, B, C	
Ms. Chan May May	陳美美女士	A, B, C	
Mr. Sim Seng Loong @ Tai Seng	Sim Seng Loong @ Tai Seng先生	A, B, C	

- A: attending seminars and/or conferences and/or forums
 B: attending in-house training relating to the ongoing compliance obligations, corporate governance and other related topics
 C: reading newspapers, journals, the Company's newsletters and updates relating to the economy, general business, automotive industry or Directors' duties and responsibilities, etc.

- A: 參加研討會及／或會議及／或論壇
 B: 參加與持續合規責任、企業管治及其他相關事項相關的內部培訓
 C: 閱讀報章、期刊、本公司新聞通訊以及與經濟、整體業務、汽車行業或董事職責等有關的最新資料。

Directors' and Officers' insurance

The Company has arranged appropriate insurance cover in respect of potential legal actions against its Directors and Officers.

董事及高級職員的保險

本公司已就針對其董事及高級職員的潛在法律責任安排合適的保險保障。

CORPORATE GOVERNANCE REPORT

企業管治報告

Model Code for Securities transactions

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions (the “Securities Dealing Code”). Specific enquiry has been made with all the Directors and all of them confirmed that they have complied with the Model Code and the Securities Dealing Code during the year and up to the date of this annual report.

AUDITOR’S REMUNERATION

The amount of fees charged by the Company’s external auditor, Grant Thornton Hong Kong Limited (“GTHK”) generally depends on the scope and volume of the external auditors’ work performed.

For the year ended 31 December 2022, the remuneration paid or payable to GTHK in respect of the statutory audit services and non-audit services for our Group are as follows:

Services rendered	所提供服務	HK\$ 港元
Audit service	審核服務	650,000
Non-audit services	非審核服務	50,000
Total	總計	700,000

Non-audit services are about the valuation services provided by the external valuer to assist the Company’s auditor on certain audit workdone. The external valuer is independent of the Company’s auditor.

關於證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為其本身有關董事證券交易的行為守則（「證券交易守則」）。經向全體董事作出具體查詢後，全體董事已確認年內及直至本年報日期止期間，彼等一直遵守標準守則及證券交易守則。

核數師酬金

本公司外聘核數師致同（香港）會計師事務所有限公司（「致同香港」）的收費一般取決於外聘核數師的工作範圍及工作量。

截至2022年12月31日止年度，就本集團所獲提供的法定審核服務及非審核服務已付或應付致同香港的酬金如下：

非審核服務為外部估值師為協助本公司核數師完成若干審計工作而提供的估值服務。外部估值師獨立於本公司核數師。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPANY SECRETARY

Ms. Tsui Sum Yi (“Ms. Tsui”), a manager, Corporate Services of Vistra Corporate Services (HK) Limited, an external service provider, has been engaged by the Company as its company secretary to support the Chairman, the Board and the Board Committees by ensuring good information flow and that the Board policy and procedures are followed. The primary contact person of the Company is Ms. Gan Pei Joo, the executive Director of the Company.

Ms. Tsui undertook at least 15 hours of relevant professional training annually to update her skills and knowledge.

DIRECTORS’ RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

It is the responsibility of the Directors to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of the results and cash flows of the Group and of the Company for the financial year then ended.

The Directors consider that, in preparing the financial statements, the Group has adopted appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates. The Directors also consider that all applicable approved accounting standards have been complied with and confirm that the financial statements have been prepared on a going concern basis.

The Directors were not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Company’s ability to continue as a going concern. The responsibility of the external auditors is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the shareholders. The independent auditor’s report by external auditor, GTHK, about their reporting responsibility on the consolidated financial statements of our Group is set out in the independent auditor’s report of this annual report.

公司秘書

徐心兒女士（「徐女士」），為外部服務供應商 Vistra Corporate Services (HK) Limited 公司服務部經理，獲本公司委聘為公司秘書，為主席、董事會及董事委員會提供支援以確保資訊無阻以及遵循董事會的政策與程序。本公司的主要聯絡人為本公司執行董事 Gan Pei Joo 女士。

徐女士每年接受不少於15個小時的專業培訓，藉此更新其技能與知識。

董事就財務報表承擔的責任

董事須負責編製各財政年度的財務報表，以真確及公平地反映於財政年度年結時本集團及本公司的業務狀況，以及截至該日止財政年度本集團及本公司的業績及現金流量。

董事認為，在編製財務報表時，本集團已採用適當的會計政策，貫徹地應用並以合理審慎的判斷及估計作支持。董事亦認為，已遵照所有適用的認可會計準則，並且確認已按照持續基準編製財務報表。

董事並不知悉任何涉及可能會令人對本公司持續經營的能力存疑之事件或狀況的重大不明朗因素。外聘核數師的責任為根據彼等的審核工作就董事會編製的綜合財務報表發表獨立意見，並且向股東呈報彼等的意見。由外聘核數師致同香港就彼等對於本集團綜合財務報表的呈報責任發表的獨立核數師報告，載於本年報的獨立核數師報告內。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledged they are responsible for the adequacy and effectiveness of the Group's risk management and internal control system through the Audit Committee. The Board recognizes the importance of good corporate governance and is committed to maintaining a sound system of internal control and risk management. This includes the establishment of an appropriate control environment and risk management framework, processes and structures and continually reviewing the adequacy and integrity of the said systems to safeguard shareholders' investment and the Group's assets.

The system of risk management and internal control covers finance, operations, management information systems and compliance with relevant laws, regulations, policies and procedures. There is an ongoing process to identify, evaluate and manage significant risk faced or potentially to be encountered by the Group. The process is regularly reviewed by the Board.

Due to the limitations that are inherent in any system of internal controls, these systems are designed to manage, rather than eliminate the risk of failure to achieve business objectives and it can only provide reasonable and not absolute assurance against material misstatement or loss. The Audit Committee reviews and monitors the scope, issues, results and action plans in relation to or arising from the internal and external audits. The Audit Committee also assists the Board in fulfilling its oversight and corporate governance roles in the Group's risk management and internal controls as well as effectiveness of the internal audit functions.

Both the Audit Committee and the Board review the effectiveness of the risk management function and deliberate on the risk management and internal control frameworks, functions, processes and reports on a regular basis. The framework is continually monitored to ensure it is responsive to the changes in the business environment and clearly communicated to all levels.

The key features of the risk management and internal control systems of the Group are described under the following headings:

風險管理及內部監控

董事會確認，彼等透過審核委員會對於本集團的風險管理及內部監控系統的充足性及有效性負責。董事會認同良好的企業管治之重要性，並承諾維持健全的內部監控及風險管理系統，包括建立適當的監控環境及風險管理框架、過程及架構，以及持續檢討上述系統是否足夠及可信，藉此保障股東的投資及本集團的資產。

風險管理及內部監控系統涵蓋財務、營運、管理資訊系統及遵守相關法例、法規、政策及程序，並且設有持續過程以識別、評估及管理本集團所面對或可能將面對的重大風險。此過程會由董事會定期檢討。

由於任何內部監控系統均存在固有的限制，該等系統的設計旨在管理，而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。審核委員會審閱及監察有關或因內部及外部審核而產生的範疇、問題、結果及行動計劃。審核委員會亦協助董事會履行其於本集團風險管理及內部監控方面，以及對於內部審核職能是否有效執行的監督及企業管治角色。

審核委員會及董事會均會檢討風險管理職能的效用，以及慎重考慮風險管理及內部監控的框架、職能、過程，並且定期報告。有關框架會予以持續監察，確保其可應對營商環境的變動，並且與所有階層作清晰的溝通。

本集團風險管理及內部監控系統的主要特點於下文描述：

CORPORATE GOVERNANCE REPORT

企業管治報告

Risk management and internal control structure

The Board has established a risk management committee (the “RMC”) which comprises the Chairman, chief financial officer and senior management to assist in monitoring the risk management process within the Group and is responsible for the establishment and the maintenance of a framework of risk management for the Group.

The Group has an established internal control structure and is committed to evaluating, enhancing and maintaining the structure to ensure effective control over the Group’s business operations and to safeguard the value and security of the Group’s assets. There is a clearly defined operating structure with lines of responsibilities and delegated authority in place to assist the Board to maintain a proper control environment. The control structure and environment are supported by the following activities:

- (a) an organisation structure with clearly defined lines of responsibility, authority and accountability;
- (b) documented internal policies, guidelines, procedures and manuals, which are updated from time to time;
- (c) regular Board, RMC and management meetings where information is provided to the Board and management covering financial performance and operation;
- (d) quarterly review of financial results by the Board and Audit Committee;
- (e) regular training and development programmes attended by employees with the objective of enhancing their knowledge and competency; and
- (f) ongoing review on the system of internal controls by an independent internal audit function. Results of such review are reported to the Audit Committee, which in turn reports to the Board.

風險管理及內部監控架構

董事會已設立風險管理委員會（「風險管理委員會」），由主席、財務總監及高級管理層組成，以協助監察本集團內部的風險管理過程，並且負責建立及維護本集團的風險管理框架。

本集團已建立內部監控架構，並且承諾評估、加強及維持有關架構，以確保對本集團業務營運作出有效監控，以及保障本集團資產的價值與安全。本集團設有清晰界定的營運架構，訂明職責範圍及指定權限，協助董事會維持妥善的監控環境。監控架構及環境由以下活動所支持：

- (a) 已清晰界定責任、權限及問責性的組織架構；
- (b) 已記錄並不時更新的內部政策、指引、程序及手冊；
- (c) 定期的董事會、風險管理委員會及管理層會議，從中向董事會及管理層提供涵蓋財務表現及營運的資料；
- (d) 董事會及審核委員會每季審閱財務業績；
- (e) 僱員出席定期的培訓與發展計劃，目的為提升彼等的知識及能力；及
- (f) 由獨立內部審核職能持續檢討內部監控系統，並向審核委員會匯報有關檢討結果，而審核委員會則向董事會報告。

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企業管治報告

Risk management process

The Group has an ongoing risk management process that involve, amongst others, (i) an annual risk identification and analysis exercise which involve assessment of the consequence and likelihood of risks and the development of risk management plans for mitigating such risks; and (ii) an annual review of the implementation of the risk management plans. This process is reviewed and monitored by RMC.

For the year under review, the RMC is assisted by the senior management team from various divisions to effectively embed risk management and control into the corporate culture, processes and structures within the Group. The RMC has identified and reviewed the major business risk factors affecting the Group and derive risk management strategies to manage and mitigate the risks identified. The review covered all material controls, including financial, operational and compliance controls. The following factors were considered in the risk assessment:

- (a) the nature and extent of risks facing the Group;
- (b) the extent and categories of risk which it regards as acceptable for the Group to bear;
- (c) the likelihood of the risks concerned materializing; and
- (d) the Group's ability to reduce the incidence of risks that may materialise and their impact on the business.

Moreover, the internal audit function of the Company assists Audit Committee and RMC to monitor the internal governance of the Company and provides independent assurance as to the adequacy and effectiveness of the Company's risk management and internal control systems.

風險管理過程

本集團設有持續的風險管理過程，當中涉及（其中包括）(i)每年進行風險鑑定及分析，包括評估風險後果及可能性，以及建立風險管理計劃以減輕有關風險；及(ii)每年檢討風險管理計劃的實施情況。此過程會由風險管理委員會檢討及監察。

於回顧年度，風險管理委員會在各個分部的高級管理層團隊協助下，有效地將風險管理及監控融入於本集團內的公司文化、過程及架構。風險管理委員會已識別並審閱影響本集團業務的主要風險因素，並且衍生出風險管理策略以管理及減輕所識別的風險。有關審閱涵蓋所有主要監控，包括財務、營運及合規監控。評估風險時已考慮下列因素：

- (a) 本集團所面對風險的性質及程度；
- (b) 被視為本集團可承受的風險程度及種類；
- (c) 有關風險具體實現的可能性；及
- (d) 本集團降低風險可能具體實現的機率及其對業務所造成影響的能力。

此外，本公司的內部審核職能協助審核委員會及風險管理委員會監察本公司的內部管治，並且對於本公司風險管理及內部監控系統的充足性及有效性作出獨立保證。

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For the year ended 31 December 2022, the Board conducted a review of the effectiveness of the risk management and internal control system, which covered the areas of financial, operational, compliance and risk management. The Board considered the system of the Group to be adequate and effective during the year. As at the date of this annual report, the Group has engaged an independent internal control consultant to review the adequacy and effectiveness of the Group's internal control system. The results and findings of such review from internal control consultant were directly reported to the Audit Committee. Going forward, the Directors will continue to regularly assess and review the effectiveness of the Group's risk management and internal control system

Anti-Corruption and Bribery Policy and Whistleblowing policy

The Group has adopted an anti-corruption and bribery policy (the "Anti-Corruption Policy") which sets out parameters to prevent the occurrence of bribery and corrupt practices in the conduct of the Group's business. This policy provides information and guidelines to all Directors and employees of the Group in relation to the standard of behaviour which they must adhere to and how to recognise and deal with bribery and corruption.

The Board recognises the importance of whistle-blowing where a programme has been introduced for the employees as well as customers, consultants, vendors, contractors and/or any other parties with a business relationship with the Company to channel concerns about illegal or unethical business conduct affecting the Company.

Any employee or member of the public who has concerns about illegal or unethical business conduct in the workplace, the concerns may be reported to the appropriate channel, and the matter and outcome will be highlighted at the Audit Committee meetings.

The Anti-Corruption Policy together with the whistleblowing policy of the Group are available on the Company's website.

於截至2022年12月31日止年度，董事會檢討風險管理及內部監控系統的有效性，當中涵蓋財務、營運、合規及風險管理範疇。董事會認為，本集團的系統於年內屬於充足及有效。於本年報日期，本集團已委聘獨立內部監控顧問審閱本集團的內部監控系統是否充足及有效。有關內部監控顧問的檢討結果及發現，經已直接向審核委員會匯報。日後，董事將繼續定期評估及檢討本集團風險管理及內部監控系統的有效性。

反腐敗及賄賂政策以及舉報政策

本集團已採納反腐敗及賄賂政策（「反腐敗政策」），當中規定防止在本集團業務開展過程中發生賄賂及腐敗行為的參數。該政策向本集團所有董事及員工提供有關彼等必須遵守的行為標準以及如何識別及處理賄賂及腐敗的資料及指南。

董事會明白舉報的重要性，並已為員工以及客戶、顧問、供應商、承辦商及／或與本公司有業務關係的任何其他人士實施一項計劃，以傳達對影響本公司的非法或不道德商業行為的關注。

任何對工作場所的非法或不道德商業行為有疑慮的員工或公眾人士均可透過適當渠道報告疑慮，相關事項及結果將在審核委員會會議上重點討論。

反腐敗政策連同本集團的舉報政策可在本公司網站上查閱。

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DISCLOSURE OF INSIDE INFORMATION

The Group acknowledges its obligation under the Securities and Futures Ordinance and the Listing Rules, and the overriding principle that inside information should be announced immediately when it is the subject of a decision.

The Company makes reference to the “Guideline on Disclosure of Inside Information” issued by the Securities and Futures Commission of Hong Kong in 2012 in handling and dissemination of inside information. The Company has also established and implemented procedures for responding to external enquiries about the Group’s affairs. Executive Directors or other senior management staff nominated by the Board as well as the Company Secretary of the Company are authorised to communicate with parties outside the Group.

SHAREHOLDERS’ RIGHTS

An annual general meeting of the Company shall be held each year and at the place as may be determined by the Board. Each general meeting other than an annual general meeting, shall be called an extraordinary general meeting (“EGM”).

Procedures for shareholders to convene an EGM

Pursuant to the Articles of Association, EGM may be convened on the written request of any one or more Shareholders deposited at the principal place of business of the Company in Hong Kong or, in the event the Company ceases to have such a principal place of business, the registered office specifying the objects of the meeting and the resolutions to be added to the meeting agenda, and signed by the requisitionist(s), provided that such requisitionists held as at the date of deposit of the request not less than one-tenth of the voting rights, on a one vote per share basis, of the issued shares of the Company which as at that date carries the right to vote at general meetings of the Company.

披露內幕消息

本集團知悉其根據證券及期貨條例及上市規則所應履行的責任，整體原則是內幕消息應在有所決定後即時公佈。

本公司參考由香港證券及期貨事務監察委員會於2012年發出的《內幕消息披露指引》，以處理及發佈內幕消息。本公司亦已就外界查詢本集團事務訂立及執行回應程序。執行董事或董事會提名的其他高級管理人員以及本公司的公司秘書，已獲授權與本集團以外各方溝通。

股東權利

本公司須每年於董事會可能決定的地點舉行股東週年大會，而除股東週年大會以外的各個股東大會，將稱之為股東特別大會（「股東特別大會」）。

股東召開股東特別大會的程序

根據組織章程細則，可按存放於本公司在香港的主要營業地點名冊上任何一位或以上股東提出的書面要求召開股東特別大會，或倘本公司不再擁有上述主要營業地點，則由註冊辦事處指明該會議的對象，決議案將加入會議議程，並由請求人簽署，條件是該等請求人於存放請求書之日須持有本公司已發行股份不少於十分之一的投票權（按一股一票計算），於當日賦予彼等於本公司股東大會的投票權。

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If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

Procedures for putting forward proposals at shareholders' meetings

There are no provisions in the Articles of Association allowing Shareholders to put forward new resolutions at general meetings. Shareholders who wish to make proposals or move a resolution may, however, convene an EGM in accordance with the "Procedures for shareholders to convene an EGM" set out above.

Procedures for putting enquiries to the Board

Shareholders may at any time send their enquiries and concerns in writing to the Board, which contact details are as follows:

Pentamaster International Limited
Plot 18 & 19, Technoplex
Medan Bayan Lepas
Taman Perindustrian Bayan Lepas
Phase IV, 11900 Penang
Malaysia

Telephone: (+604) 646 9212
Fax: (+604) 646 7212
Email: investor.relation@pentamaster.com.my

如果董事會並未於存放請求書之日起21日內正式召開一個將於額外的21日內舉行的會議，請求人本身或彼等當中任何超過一半總投票權的人士，可以同樣的方式（盡可能接近董事會可召開會議的方式）召開股東大會，條件是如此召開的任何會議不得在存放請求書之日起三個月期滿後舉行，以及所有因董事會不履行而對請求人造成的合理費用應當由本公司向請求人作出賠償。

於股東大會上提呈議案的程序

組織章程細則內並無條文准許股東於股東大會上提呈新決議案。然而，有意提出議案或動議決議案的股東可按照上文載列的「股東召開股東特別大會的程序」召開股東特別大會。

向董事會作出查詢的程序

股東可隨時向董事會以書面提出查詢及關注事宜，聯絡資料如下：

檳傑科達國際有限公司
Plot 18 & 19, Technoplex
Medan Bayan Lepas
Taman Perindustrian Bayan Lepas
Phase IV, 11900 Penang
Malaysia

電話：(+604) 646 9212
傳真：(+604) 646 7212
電郵：investor.relation@pentamaster.com.my

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Board has adopted a shareholders' communication policy (the "Shareholders Communication Policy") with the objective of ensuring the Shareholders are provided with equal and timely access to information about the Company, in order to enable the Shareholders to exercise their rights in an informed manner and to allow them to engage actively with the Company. The Board and senior management recognise their responsibilities to represent the interests of all shareholders and to maximise shareholder value. Communication with shareholders and accountability to shareholders is a high priority of the Company.

The Shareholders Communication Policy is summarised as below:

- the Board will maintain an on-going dialogue with the Shareholders and particularly for communicating with them and encouraging their participation through annual general meetings or other general meetings and will review this policy regularly to ensure its effectiveness;
- information will be communicated to the Shareholders through the Company's financial reports, annual general meetings and other general meetings that may be convened, as well as all the disclosures submitted to the Stock Exchange;
- effective and timely dissemination of information to the Shareholders will be ensured at all times;
- the Company will assign dedicated employee(s) to be in charge of ensuring effective and timely dissemination of information to Shareholders;
- the Company will provide Shareholders with ready access to understandable information about the Company;
- the Company will take steps to solicit and understand the views of Shareholders and other stakeholders;

與股東及投資者溝通

董事會已採納股東通訊政策（「股東通訊政策」），旨在確保股東能平等及時地獲提供有關本公司的資料，令股東能夠在知情的情況下行使其權利，並令彼等能夠積極參與本公司事務。董事會及高級管理層明白彼等有責任代表所有股東的權益並盡量提升股東價值。與股東溝通及對股東負責為本公司的重中之重。

股東通訊政策概述如下：

- 董事會會與股東保持持續對話，尤其是與彼等溝通並鼓勵彼等透過股東週年大會或其他股東大會參與，並會定期核討該政策以確保其有效性；
- 資料會透過本公司的財務報告、股東週年大會及可能召開的其他股東大會以及提交予聯交所的所有披露資料傳達予股東；
- 於任何時候均確保及時有效地向股東傳遞資訊；
- 本公司會指派專門員工負責確保有效及時地向股東傳遞資訊；
- 本公司會為股東提供可隨時取得及易於理解的本公司資料；
- 本公司會採取措施徵求及了解股東及其他持份者的意見；

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- the Company will facilitate Shareholders' participation in annual general meetings and make available the chairmen of the board committees and advisory panel(s) (if any), appropriate management executives, auditors at annual general meetings to answer questions from Shareholders; and
- Shareholders may, at any time, direct questions, communicate their views on various matters affecting the Company, request for publicly available information and provide comments and suggestions to Directors or management of the Company through the prescribed channel stated in the below paragraphs.
- 本公司將促進股東參與股東週年大會，並安排董事委員會主席及顧問小組（如有）、適當的管理人員及核數師在股東週年大會上回答股東問題；及
- 股東可隨時透過以下各段所述的指定渠道向本公司董事或管理層提出疑問、就影響本公司的各種事項發表意見、索取公開可得資料以及提供意見及建議。

In accordance with the Shareholders Communication Policy, the Company has established various and a wide range of communication channels with the shareholders with the objective of ensuring that the shareholders have equal and timely access to information about the Company in order to enable the shareholders to exercise their rights in an informed manner and allow them to engage actively with the Company. The channels include general meetings, annual reports, interim reports and quarterly reports, notices and circulars, announcements, and all the published disclosures submitted to the Stock Exchange. In addition, the Company updates its website from time to time to provide the shareholders with information of the Company's recent development.

Shareholders' meetings

Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote and the meetings. The process of the Company's general meeting will be monitored and reviewed on a regular basis, and if necessary, changes will be made to ensure that shareholders' needs are best served.

The annual general meeting or EGM of the Company will provide a forum for the Board and the shareholders to communicate. The Board will answer questions raised by shareholders at the annual general meeting or EGM. At the meeting, a separate resolution will be proposed by the Chairman for each issue and voting on each resolution will be conducted by poll. The results of the poll will be posted on the respective websites of the Stock Exchange and the Company on the same day of the meeting.

根據股東通訊政策，本公司已與股東建立不同且多元化的溝通渠道，目的是確保股東可公平且及時地獲取本公司的資料，藉此讓股東在知情的情況下行使彼等的權利，並且積極參與本公司的發展。該等渠道包括股東大會、年報、中期報告及季度報告、通告及通函、公告，以及向聯交所呈交的所有經刊發披露資料。此外，本公司不時更新其網站，為股東提供有關本公司最新發展的資訊。

股東大會

本公司鼓勵股東參與股東大會或指定代表出席會議並投票。本公司股東大會的程序將受到監控及定期進行檢討，如有必要，將作出更改以確保盡量滿足股東需要。

本公司股東週年大會或股東特別大會將提供一個場合以供董事會與股東進行溝通。於股東週年大會或股東特別大會上，董事會將解答由股東提出的問題。於會議上，主席將就各個事項提呈獨立的決議案，並將以投票方式就各項決議案進行表決。投票結果將於會議同日在聯交所及本公司各自的網站刊登。

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Communication with Shareholders

Shareholders may at any time make a request for the Company's information to the extent such information is publicly available. Corporate communication will be provided to the shareholders in plain language and in both English or Chinese to facilitate shareholders' understanding. Shareholders are encouraged to provide, amongst other things, in particular, their email addresses to the Company in order to facilitate timely and effective communication.

A dedicated investor relation section is available on the Company's website (www.pentamaster.com.my) and a dedicated email (investor.relation@pentamaster.com.my) has been assigned for shareholders to communicate with the Company. Information on the website is updated regularly. Information released by the Company to the Stock Exchange is also posted on the Company's website immediately thereafter. Such information includes financial statements, results announcements, circulars and notices of general meetings and associated explanatory documents etc. All presentation materials provided in conjunction with the Company's annual general meeting and results announcement each year will be made available on the Company's website.

The Company has been striving to maintain high transparency and communicate with the shareholders and the investors of the Company through diversified communication channels. The Company holds press conferences and analyst briefing sessions from time to time to provide the latest business information of the Company to the investors.

Having considered the multiple channels of communication during the year, the Board considers its effort in accordance with the Shareholders Communication Policy in 2022 to be effective. The Board does not receive any complaints regarding shareholders' communication in 2022.

與股東的溝通

股東可隨時要求本公司提供資料，前提為有關資料為公開可得資料。公司通訊將以通俗易懂的語言提供予股東，並以英文或中文提供，方便股東理解。本公司鼓勵股東向本公司提供（其中包括）其電郵地址，以促進及時有效的溝通。

本公司網站(www.pentamaster.com.my)設有專門的投資者關係部分，並已指定專門的電子郵件(investor.relation@pentamaster.com.my)供股東與公司溝通。網站上的資料會定期更新。本公司向聯交所發佈的資料亦會隨後立即在本公司網站發佈。該等資料包括財務報表、業績公告、通函及股東大會通告以及相關說明文件等。連同本公司股東週年大會及各年度業績公告提供的所有呈列材料將於本公司網站上公佈。

本公司一直努力透過多元化的溝通渠道，保持高透明度以及與本公司股東及投資者溝通。本公司不時舉行記者會及分析員簡報會，為投資者提供本公司的最近期業務資訊。

考慮到年內的多種溝通渠道，董事會認為其在於2022年根據股東溝通政策所作努力有成效。於2022年，董事會並無收到任何有關股東溝通的投訴。

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CONSTITUTIONAL DOCUMENTS

A second amended and restated memorandum and articles of association of the Company was adopted and took effective on 30 May 2022.

Save as the above mentioned, there were no significant changes in the constitutional documents of the Company during the year.

組織章程文件

本公司經第二次修訂和重述的公司章程大綱細則已於2022年5月30日採納及生效。

除上文所述者外，本公司組織章程文件於年內並無重大變動。

DIRECTORS' REPORT

董事會報告

The Directors are pleased to present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2022.

CORPORATE INFORMATION AND LISTING

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 12 June 2017 under the Companies Act (as revised) of the Cayman Islands ("Companies Act"). The Company's shares were listed on the Main Board of the Stock Exchange on 19 January 2018.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and has not carried out any business since its incorporation.

Details of the principal activities of its subsidiaries are set out in note 18 to the consolidated financial statements. There were no significant changes in the nature of the Group's principal activities during the year ended 31 December 2022.

BUSINESS REVIEW

A review of the business of the Group during the year, an analysis of the Group's financial performance during the year using key performance indicators, a discussion on the Group's future business development and a description of the risks and uncertainties that the Group may be facing are set out in the section headed "Chairman's statement" and "Management Discussion and Analysis" on pages 7 to 10 and pages 11 to 32 of the annual report respectively. The financial risk management objectives and policies of the Group are set out in Note 40 to the consolidated financial statements. In addition, discussions on the Group's environmental policies, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are illustrated in pages 87 to 90 of the annual report. These discussions form part of this directors' report.

各董事欣然提呈彼等的報告以及本集團截至2022年12月31日止年度的經審核綜合財務報表。

公司資料及上市

本公司於2017年6月12日根據開曼群島公司法（經修訂）（「公司法」）於開曼群島註冊成立為獲豁免有限公司。本公司股份於2018年1月19日在聯交所主板上市。

主要業務

本公司為一間投資控股公司，自其註冊成立以來並無從事任何業務。

其各附屬公司之主要業務詳情載於綜合財務報表附註18。本集團主要業務之性質於截至於2022年12月31日止年度並無重大變動。

業務回顧

本集團於年內的業務回顧、本集團採用主要表現指標對年內財務表現進行的分析、本集團未來業務發展的討論以及本集團可能面臨的風險及不確定因素，分別載於年報第7至10頁的「主席報告」及第11至32頁的「管理層討論及分析」。本集團的財務風險管理目標及政策載於綜合財務報表附註40。此外，有關本集團的環境政策、與其主要持份者的關係以及遵守對本集團有重大影響的相關法律及法規之論述於年報第87至90頁說明。該等論述構成本董事會報告一部分。

DIRECTORS' REPORT

董事會報告

The analysis of the principal activities and geographical locations of the operations of the Group are set out in note 5 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2022 and the financial position of the Group at that date are set out in the consolidated financial statements on pages 110 to 115.

DIVIDEND POLICY

The Company has adopted a dividend policy ("Dividend Policy") on 27 February 2019 with the aim to set out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the shareholders of the Company.

The Board has the discretion to declare and distribute dividends to the Shareholders, subject to the Articles of Association and all applicable laws and regulations. In proposing any dividend payout, the Board shall also take into account, inter alia, the Group's operations, earnings, financial condition, working capital requirements, future expansion plans and other factors it may deem relevant and appropriate. Any final dividend for a financial year declared by the Company must be approved by an ordinary resolution of the shareholders at an annual general meeting of the Company and must not exceed the amount recommended by the Board.

The Dividend Policy will be reviewed from time to time and there is no assurance that a dividend will be proposed or declared in any specific period. The Company's Dividend Policy is available on the Company's website.

本集團營運根據主要業務及地理位置的分析載於綜合財務報表附註5。

業績及分配

本集團截至2022年12月31日止年度的業績及本集團於該日的財務狀況，載於綜合財務報表第110至115頁。

股息政策

本公司已於2019年2月27日採納股息政策（「股息政策」），旨在載列本公司擬將其純利作為股息宣派、派付或分發予本公司股東的原則及指引。

根據組織章程細則及所有適用法律及法規，董事會有權宣派及分發股息予本公司股東。董事會在建議任何股息支付時，亦須考慮到（其中包括）本集團的經營狀況、盈利、財務狀況、營運資金需求、進一步擴充計劃及其可能認為相關及適當的其他因素。本公司於財政年度宣派的任何末期股息，必須於本公司股東週年大會上由股東的普通決議案批准，且不得超過董事會推薦建議的金額。

股息政策將不時進行檢討，概不保證會於特定期間建議或宣派股息。本公司的股息政策可於本公司網站查閱。

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FINAL DIVIDEND

In respect of the year ended 31 December 2022, the Board recommends the payment of a final dividend of HK\$0.02 per share ("Final Dividend") subject to approval of the shareholders at the forthcoming annual general meeting of the Company ("AGM").

ANNUAL GENERAL MEETING AND CLOSURE OF THE REGISTER OF MEMBERS

The AGM will be held on Tuesday, 30 May 2023. The register of members of the Company will be closed from Wednesday, 24 May 2023 to Tuesday, 30 May 2023 (the "Closure Period"), both days inclusive, for the purposes of determining the entitlements of the shareholders to attend and vote at the forthcoming AGM. During this Closure Period, no transfer of the Company's shares will be registered. In order to be eligible to attend and vote at the AGM, all transfers, accompanied by the relevant share certificates and properly transfer forms must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 23 May 2023.

The Final Dividend is payable on 7 July 2023 and the record date for entitlement to the Final Dividend is 8 June 2023. For determining the entitlement to the Final Dividend, the register of members of the Company will be closed from Wednesday, 7 June 2023 to Thursday, 8 June 2023, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the Final Dividend, all transfer of shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 6 June 2023.

末期股息

就截至2022年12月31日止年度而言，董事會推薦建議派付末期股息每股0.02港元（「末期股息」），惟須待股東於本公司應屆股東週年大會（「股東週年大會」）上批准方可作實。

股東週年大會及暫停辦理股份過戶登記手續

股東週年大會將於2023年5月30日（星期二）舉行。本公司將於2023年5月24日（星期三）至2023年5月30日（星期二）（「暫停過戶期間」）（首尾兩天包括在內）暫停辦理股份過戶登記手續，以便釐定股東出席應屆股東週年大會並於會上投票的資格。在此暫停過戶期間，將不會辦理股份過戶登記。為符合資格出席股東週年大會並於會上投票，所有股份過戶文件連同相關股票及已填妥的過戶表格，最遲必須於2023年5月23日（星期二）下午四時三十分送達本公司的香港股份過戶登記分處卓佳證券登記有限公司，地址為香港夏慤道16號遠東金融中心17樓。

末期股息將於2023年7月7日派付，而確定享有末期股息權益的記錄日期為2023年6月8日。為釐定獲派末期股息的權利，本公司將於2023年6月7日（星期三）至2023年6月8日（星期四）（首尾兩天包括在內）暫停辦理股份過戶登記手續，期間將不會辦理股份過戶登記。為符合獲派末期股息的資格，所有股份過戶文件連同相關股票及已填妥的過戶表格，須於2023年6月6日（星期二）下午四時三十分前送交本公司香港股份過戶登記分處卓佳證券登記有限公司，地址為香港夏慤道16號遠東金融中心17樓，以辦理登記手續。

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SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 26 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2022, the Company's reserves available for distribution to the Shareholders amounted to approximately MYR28,525,000 (2021: MYR24,447,000).

DONATIONS

During the year under review, the Group made charitable donations amounting to MYR72,000 (2021: MYR97,000). The rest of the donations amounting to MYR184,000 (2021: MYR55,000) were made through PCB which is the immediate holding company of the Company.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment totalling approximately MYR40.6 million (2021: MYR37.6 million). Details of the movements in the property, plant and equipment of the Group during the year ended 31 December 2022 are set out in note 14 to the consolidated financial statements of this annual report.

FULFILLMENT OF PROFIT GUARANTEE IN RESPECT OF THE ACQUISITION OF 100% EQUITY INTEREST OF TP CONCEPT SDN. BHD.

References are made to (i) the announcements of the Company dated 26 September 2019 and 27 September 2019 in relation to the acquisition of 100% equity interest in TP Concept and (ii) the announcement of the Company dated 25 February 2021 in relation to the extension of profit guarantee period. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the said announcements of the Company.

股本

本公司的股本變動詳情載於綜合財務報表附註26。

可分派儲備

於2022年12月31日，本公司可供分派予股東的儲備約為28,525,000令吉（2021年：24,447,000令吉）。

捐贈

於回顧年度，本集團作出慈善捐獻72,000令吉（2021年：97,000令吉）。為數184,000令吉（2021年：55,000令吉）的餘下捐款乃由本公司的直接控股公司PCB作出。

物業、廠房及設備

於年內，本集團收購物業、廠房及設備合共約40.6百萬令吉（2021年：37.6百萬令吉）。本集團物業、廠房及設備於截至2022年12月31日止年度的變動詳情，載於本年報綜合財務報表附註14。

達成與收購TP CONCEPT SDN. BHD.的100%股權有關利潤保證

茲提述(i)本公司日期為2019年9月26日及2019年9月27日的公告，內容有關收購TP Concept的100%股權；及(ii)本公司日期為2021年2月25日的公告，內容有關延長利潤保證期。除另有界定者外，本公告所用詞彙與本公司上述公告所界定者具有相同涵義。

DIRECTORS' REPORT

董事會報告

Based on the financial statement of TP Concept for FYE 2020 and FYE 2021, the shareholders of TP Concept (the "Vendors") do not expect the Aggregate PAT of TP Concept to meet the Aggregate Profit Guarantee.

Given the reasons for the Shortfall were mainly due to the extraordinary and unexpected circumstances caused by the COVID-19 pandemic which were beyond the control of the Vendors, and considering the business prospect of TP Concept, Pentamaster Equipment and the Vendors (the "Parties") have entered into a supplemental share sale agreement on 25 February 2021 to extend the Profit Guarantee Period for the Vendors to fulfill the Aggregate Profit Guarantee. The Parties have mutually agreed that the Aggregate PAT to be used for determining the Aggregate Profit Guarantee shall be the Aggregate PAT of TP Concept for FPE 2019, NFYE 2020, NFYE 2021 and NFYE 2022 ("Extended Profit Guarantee Period").

In summary, with the extension of Profit Guarantee Period, the Aggregate PAT in respect of TP Concept for FPE 2019, NFYE 2020, NFYE 2021 and NFYE 2022 shall not be less than MYR12,000,000. In the event the Aggregate PAT cannot be achieved during the Extended Profit Guarantee Period, the Vendors shall be liable to pay the shortfall to the Purchaser up to MYR12,000,000.

As disclosed in the announcement of the Company dated 15 March 2023, the Aggregate Profit Guarantee has been fulfilled within the Extended Profit Guarantee Period and the Final Balance Release has been released to the Vendors. Therefore, the Performance Guarantee has been fulfilled.

Save as disclosed elsewhere in this annual report, there is no material subsequent event undertaken by the Company or by the Group for the year ended 31 December 2022.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

There are no material events affecting the Group after the end of the year under review.

基於TP Concept於FYE 2020及FYE 2021的財務報表，TP Concept股東（「賣方」）並不預計TP Concept的目標PAT能符合目標利潤保證。

鑒於差額的原因主要是由於COVID-19疫情廣泛蔓延所造成的異常和意外情況超出了供應商的控制範圍，並考慮到TP Concept的業務前景，Pentamaster Equipment和賣方（「雙方」）已於2021年2月25日訂立了補充股份出售協議，以延長賣方的利潤保證期以履行目標利潤保證。雙方已共同同意，用於確定目標利潤保證應是TP Concept於FPE 2019、NFYE 2020、NFYE 2021及NFYE 2022的目標PAT（「延長利潤保證期」）。

綜合上述所說，隨著利潤保證期的延長，TP Concept於FPE 2019、NFYE 2020、NFYE 2021及NFYE 2022的目標PAT應不得低於12,000,000令吉。如果在延長的利潤保證期內未實現目標PAT，則賣方有責任向買方支付最多12,000,000令吉的差額。

誠如本公司日期為2023年3月15日的公告所披露，目標利潤保證已於延長利潤保證期內達成，而最終餘額釋放已釋放予賣方。因為，履約保證已獲達成。

除本年報其他章節所披露者外，本公司或本集團於截至2022年12月31日概無進行重大後續事項。

報告期後重大事件

於回顧年度結束後，並無發生影響本集團的重大事件。

DIRECTORS' REPORT

董事會報告

FIVE YEAR FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements of the Company, is set out in page 6 of this annual report. This summary does not form part of the audited consolidated financial statements of the Group.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The industry that we operate in is subject to domestic and foreign health, safety and environmental laws and regulations. In order to ensure compliance with the applicable laws and regulations, our Group has established an internal policy to monitor and control health and work safety issues. Our Group's internal health and safety officer and committee are responsible for the development and implementation of health and safety rules as well as a safe system of work. Their responsibilities include carrying out studies on the trend of accident and its prevention, reviewing the effectiveness of our current health and safety system and making recommendations to our management for any improvement on relevant policies. Health and safety inspection will also be carried out by our management once every quarter. In addition, information, instruction and supervision relating to health and safety issues are provided to all of our employees and any jobs with potential safety issue. Training sessions including emergency first-aid are provided to emergency response team and employee safety and health committee and fire drill is carried out at least once a year within the Group.

In respect of environmental matters, it is our Group's policy to ensure appropriate response to any situations involving leakage of chemicals or hazardous gas emission as well as prevention or mitigation of the environmental impacts associated with the above situations. Further, we also dispose of our scrap materials and electrical wastes through companies approved by the government to handle such items. Below are some initiatives undertaken by the Group during the year:

五年財務摘要

本集團過去五個財政年度的已刊發業績以及資產及負債的摘要載於本年報第6頁，乃摘錄自本公司經審核綜合財務報表。此摘要不構成本集團經審核綜合財務報表的一部分。

環境政策及履行情況

我們經營所在的行業須遵守國內外的健康、安全及環境法律及法規。為確保遵守適用之法律及法規，本集團已制定內部政策以監控健康及工作安全事宜。本集團內部的健康及安全主任和委員會負責制定並實施健康及安全規則以及安全工作體系。彼等的職責包括研究事故趨勢及相關預防措施、審閱我們現有健康及安全體系的成效，並向管理層建議相關政策的任何改善方案。管理層亦會每季進行一次健康及安全檢查。此外，全體僱員及任何有潛在安全問題的工作均獲提供有關健康及安全事宜的資料，並接受相關指導及監察。緊急應變小組及僱員安全與健康委員會獲提供包括急救等培訓課程，本集團內部亦會至少每年進行一次火警演習。

環保事宜方面，本集團的政策是確保對涉及化學品洩漏或有害氣體排放，以及防止或減輕與上述情況有關的環境影響作出適當應對措施。此外，為處理廢料及電子廢物，我們亦透過獲政府認可的公司棄置有關物品。以下為本集團於年內主動採取的一些行動：

DIRECTORS' REPORT

董事會報告

3R Concepts (Reduce, Reuse and Recycle)

The Group remains committed in ensuring that it plays its role in sustaining a greener environment. During the year under review, the Group continued with the recycling and waste management initiative whereby recycle bins are provided to spur waste segregation for proper recycling and disposal purposes. Our employees are educated on the concept of “Reduce, Reuse and Recycle” which is an excellent way of saving energy and conserving the environment.

“Cost With No Waste” initiative

The Group is committed to make efficient use of its resources by not producing unnecessary wastage. The Group has implemented “Cost With No Waste” initiative since 2016 in ensuring no unnecessary wastage and impact in the ecosystem where it operates in.

During the year, the Group did not record any material violation of any health, work safety and environmental laws and regulations applicable to our operations that resulted in claim or penalty imposed on our Group. Our Group has complied with the relevant environmental laws and regulations in all material respects.

As required by the Listing Rules, the Company is required to report on ESG information of the Group on an annual basis and regarding the same period covered in this annual report. As such, the Company has been publishing the environmental, social and governance report (the “ESG Report”) on the websites of the Company and the Stock Exchange on an annual basis. Please view and download the ESG Report from the Company's website at <https://pentamaster.com.my> under the “Investor Relations PIL” and subsequently “Financial Reports” section or the website of the Stock Exchange. If Shareholders would like to receive the ESG Report in printed form, you may send your request in writing to the Company c/o the Company's branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

3R概念 (減少、重用及再造)

本集團一直致力確保其履行保持綠色環境的角色。於回顧年度，本集團繼續倡議循環再造及廢物管理，並提供回收箱以促進廢物妥善分類及棄置。我們教導僱員有關「減少、重用及再造」的概念，以此為節省能源及保護環境的最佳方法。

提倡「零廢料成本」

本集團承諾會有效運用其資源，不會製造不必要的廢料。本集團自2016年起已提倡「零廢料成本」，確保不會產生不必要的廢料及影響其經營所在的生態環境。

於年內，本集團並無任何嚴重違反適用於我們營運的健康、工作安全及環保法律及法規，從而導致本集團被受申索或罰款的任何記錄。本集團已遵守相關環保法律及法規的所有重大方面。

按照上市規則所規定，本公司須每年並就本年報所涵蓋的相同期間呈報本集團有關環境、社會及管治的資料。因此，本公司一直每年在本公司及聯交所網站上刊發環境、社會及管治報告（「環境、社會及管治報告」）。請於本公司網站(<https://pentamaster.com.my>)「投資者關係 PIL」及其後的「財務報告」部分或聯交所網站查看及下載 環境、社會及管治報告。倘股東欲收取環境、社會及管治報告的印刷本，閣下可向本公司股份過戶登記分處卓佳證券登記有限公司（地址為香港夏慤道16號遠東金融中心17樓）作出書要求。

DIRECTORS' REPORT

董事會報告

STAKEHOLDERS' ENGAGEMENT

Stakeholders are defined as parties that have interest in the Group and can either affect or be affected by the Group's business activities. We conduct periodic engagement with our various stakeholders because we recognise that their perspectives are important in helping the Group to prioritise the actions for continuous sustainability improvement of the Group.

The following table summarises the Group's key stakeholders and how the Group engages them:

Stakeholders 持份者	Method of Engagement 會面方式
Shareholders 股東	<ul style="list-style-type: none">Annual General Meetings 股東週年大會Corporate communication and investor relations 公司通訊及投資者關係
Employees 僱員	<ul style="list-style-type: none">Employees briefings 僱員簡報會Open communication via internal channels such as in-house emails and open door policy 透過公司內電郵等內部渠道及門戶開放政策進行公開溝通
Customers 客戶	<ul style="list-style-type: none">Customers' surveys and feedbacks 客戶調查及回饋Face to face meetings 面對面會見
Suppliers 供應商	<ul style="list-style-type: none">Suppliers' audit 供應商審計Suppliers' feedbacks 供應商回饋Suppliers' meetings 供應商會議
Government 政府	<ul style="list-style-type: none">Compliance with government legislative framework 遵照政府立法框架
Communities 社區	<ul style="list-style-type: none">Meeting with local communities 會見地方團體

持份者的參與

持份者的定義為於本集團擁有權益，並且可對於或受本集團業務活動影響的人士。我們定期與持份者會面，原因為我們認定彼等的觀點，對於協助本集團為達到持續不斷改進而設定行動計劃的先後次序甚為重要。

下表概列本集團的主要持份者以及本集團與彼等會面的方式：

DIRECTORS' REPORT

董事會報告

COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, our Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of our Group during the year and up to the date of this annual report.

DIRECTORS

The Directors of the Company during the year and up to the date of this report are as follows:

Executive Directors

Mr. Chuah Choon Bin (*Chairman*)
Ms. Gan Pei Joo

Non-executive Director

Mr. Leng Kean Yong

Independent non-executive Directors

Dr. Chuah Jin Chong
Ms. Chan May May
Mr. Sim Seng Loong @ Tai Seng

Pursuant to the Articles of Association, one-third of the Directors for the time being (or, if the number of Directors is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

Any Director appointed to fill a casual vacancy shall, hold office only until the first annual general meeting of the Company and such Director shall then be eligible for re-election at that meeting by the Shareholders.

Accordingly, Mr. Leng Kean Yong and Dr. Chuah Jin Chong, shall retire by rotation at the AGM and, being eligible, offer themselves for re-election.

遵照適當法律及法規

據董事作出一切合理查詢後深知、全悉及確信，本集團於年內及直至本年報日期一直遵守對本集團業務及營運有重大影響的相關法律及法規之重大方面。

董事

於年內及直至本報告日期止的本公司董事如下：

執行董事

Chuah Choon Bin先生 (*主席*)
Gan Pei Joo女士

非執行董事

Leng Kean Yong先生

獨立非執行董事

蔡仁鐘博士
陳美美女士
Sim Seng Loong @ Tai Seng先生

根據組織章程細則，三分之一在任董事（或，倘董事數目並非三的倍數，則以最接近但不少於三分之一的董事）須輪席告退，惟每名董事均須最少每三年於股東週年大會上告退一次。

任何獲委任以填補臨時空缺的董事任期將於本公司第一屆股東大會舉行時屆滿，而有關董事可於該大會上經由股東重選連任。

因此，Leng Kean Yong 先生及蔡仁鐘博士將於股東週年大會上輪值退任，並符合資格重選連任。

DIRECTORS' REPORT

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out in the section headed "Directors and Senior Management" of this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the Directors has entered into a service agreement with the Company on 19 December 2017 for an initial term of three years commencing from the Listing Date. Subsequently, each of the Directors has further entered into a revised service agreement with the Company for a term three years commencing on 19 January 2021. Either party may terminate the service agreement by giving to the other not less than three months' prior notice in writing at any time during the initial term. None of the Directors who are proposed for re-election at the annual general meeting has an unexpired service agreement with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 39 to the consolidated financial statements, there was no transaction, arrangement or contract of significance to which any of the Company's holding company, subsidiaries or fellow subsidiaries was a party and in which a director of the Company or a connected entity of the director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

The Company did not enter into any contract, other than the contracts of service with the directors or any person engaged in the full-time employment of the Company, by which a person undertakes the management and administration of the whole, or any substantial part of any business of the Company during the year.

董事及高級管理層履歷

本集團董事及高級管理層的履歷載於本年報「董事及高級管理層」一節。

董事的服務合約

各董事已於2017年12月19日與本公司訂立服務協議，自上市日期起計初步為期三年，其後，各董事已進一步與本公司訂立經修訂服務協議，自2021年1月19日起計為期三年，可由任何一方於初步任期內隨時向另一方發出不少於三個月的書面通知予以終止。概無擬於股東週年大會上重選連任的董事已與本公司訂立本公司於一年內不作出賠償（法定賠償除外）則不能終止的無限期服務協議。

董事於重大交易、安排或合約中的權益

除綜合財務報表附註39所披露者外，本公司任何控股公司、附屬公司或同系附屬公司概無訂立任何重大交易、安排或合約為本公司董事或本公司董事的關連實體直接或間接於當中擁有重大權益，且於年末或年內任何時間依然存續。

管理合約

除與董事或本公司全職聘用的任何人士訂立服務合同外，年內，本公司並無簽訂任何合約，據此由一人承擔本公司任何業務的全部或任何重要部分的管理及行政工作。

DIRECTORS' REPORT

董事會報告

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the Directors or their respective close associates (as defined under the Listing Rules) had any interests (other than their interest in the Company or its subsidiaries) in any business which competed or may compete, either directly or indirectly, with the business of the Group or any other conflicts of interests with the Group.

CONTROLLING SHAREHOLDERS' INTEREST

Save as disclosed in this report, no contracts of significance were entered into between the Company or any of its subsidiaries and any Controlling Shareholders or any of its subsidiaries or any contracts of significance for the provision of services to the Company or any of its subsidiaries by any Controlling Shareholders or any of its subsidiaries.

TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

The Company is not aware of any tax relief or exemption available to the Shareholders by reason of their respective holding of the Company's securities.

DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS

Details of the Directors' remuneration and the five highest paid individuals in the Group during the year are set out in Note 11 to the consolidated financial statements.

董事於競爭業務中的權益

於年內，董事或彼等各自的緊密聯繫人（定義見上市規則）概無於任何與本集團業務直接或間接構成競爭或可能構成競爭的業務中擁有任何權益（除了彼等於本公司或其附屬公司的權益外）或與本集團存在任何其他利益衝突。

控股股東的權益

除本報告所披露者外，本公司或其任何附屬公司並無與任何控股股東或其任何附屬公司訂立重大合約，或由任何控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務的任何重大合約。

上市證券持有人的稅項減免及豁免

本公司並不知悉股東因其各自持有本公司證券而可獲得的任何稅項減稅或豁免。

董事薪酬及五名最高薪人士

於年內的董事薪酬及五名最高薪人士的詳情載於綜合財務報表附註11。

DIRECTORS' REPORT

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OR DEBENTURES OF THE COMPANY, ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2022, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations, within the meaning of the SFO, as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (the "Model Code"), were as follows:

(i) Interest in the Company

Name of Director	Capacity	Number of Shares	Approximate percentage of shareholding
董事姓名	身份	股份數目 (Note 1) (附註1)	概約持股百分比
Mr. Chuah Choon Bin Chuah Choon Bin先生	Beneficial owner (Note 2) 實益擁有人 (附註2)	26,611,200(L)	1.11%
Ms. Gan Pei Joo Gan Pei Joo女士	Beneficial owner 實益擁有人	8,103,544(L)	0.34%
Mr. Leng Kean Yong Leng Kean Yong先生	Beneficial owner 實益擁有人	250,000(L)	0.01%
Dr. Chuah Jin Chong 蔡仁鐘博士	Beneficial owner 實益擁有人	168,000(L)	0.01%

Notes:

- The letter "L" denotes the person's long position in the Shares.
- Includes Ms. Gan Pei Joo's entitlement to receive up to 241,667 Shares pursuant to the vesting of the award shares granted to her under the Scheme, subject to the conditions (including vesting conditions) of those award shares.

董事及主要行政人員於本公司、本公司任何特定業務或任何相聯法團的股份及相關股份或債券的權益及淡倉

於2022年12月31日，董事及本公司主要行政人員於本公司及其相聯法團（定義見證券及期貨條例）的股份、相關股份及債券中擁有須根據證券及期貨條例第352條登記於該條所述的登記冊中，或須根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）另行知會本公司及聯交所的權益及淡倉如下：

(i) 於本公司的權益

附註：

- 「L」字母表示該名人士於股份中的好倉。
- 包括Gan Pei Joo女士根據歸屬該計劃授予她的獎勵股份而有權收取的最多241,667股股份，惟須符合該等獎勵股份的條件（包括歸屬條件）。

DIRECTORS' REPORT

董事會報告

(ii) Interest in an associated corporation of the Company

(ii) 於本公司相聯法團的權益

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Capacity 身份	Number of Shares 股份數目 (Note 1) (附註1)	Approximate percentage of shareholding 概約持股百分比
Mr. Chuah Choon Bin Chuah Choon Bin先生	PCB PCB	Beneficial owner 實益擁有人	140,420,120(L)	19.71%
		Interest in spouse (Note 2) 配偶權益 (附註2)	138,510(L)	0.02%
Ms. Gan Pei Joo Gan Pei Joo女士	PCB PCB	Beneficial owner 實益擁有人	50,486(L)	0.01%
Mr. Leng Kean Yong Leng Kean Yong先生	PCB PCB	Beneficial owner 實益擁有人	40,000(L)	0.01%

Notes:

- The letter "L" denotes the person's long position in the Shares.
- Mr. Chuah Choon Bin is deemed under the SFO to be interested in the 138,510 shares in PCB held by his spouse.

附註：

- 「L」字母表示該名人士於股份中的好倉。
- 根據證券及期貨條例，Chuah Choon Bin先生被視為於其配偶持有的138,510股PCB股份中擁有權益。

Save as disclosed above, as at 31 December 2022, none of the Directors or chief executive or any of their spouses or children under 18 years of age, has any interest or short position in the shares, underlying shares or debentures of the Company or any of its specified undertakings or other associated corporations which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he will be taken or deemed to have under the SFO), or was required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which was required, pursuant to the Model Code.

除上文披露者外，於2022年12月31日，概無董事或主要行政人員或任何彼等的配偶或18歲以下子女於本公司或其任何特定業務或其他相聯法團的股份、相關股份及債券中擁有任何須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例被當作或視作擁有的權益或淡倉），或須根據證券及期貨條例第352條登記於該條所述的登記冊中的權益或淡倉，或須根據標準守則知會本公司及聯交所的權益或淡倉。

DIRECTORS' REPORT

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware, as at 31 December 2022, the interests and short positions of the persons, other than the Directors or chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Name of Shareholder 股東姓名	Capacity 身份	Number of Shares 股份數目 (Note) (附註)	Approximate percentage of shareholding 概約持股百分比
PCB	Beneficial owner	1,533,549,989(L)	63.90%
PCB	實益擁有人		

Note: The letter "L" denotes the person's long position in the Shares.

Save as disclosed above, as at 31 December 2022, the Directors are not aware of any person who had an interest or short position in the shares and the underlying shares of the Company which would require to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

EQUITY-LINKED AGREEMENTS

The Company has not entered into any equity-linked agreement (as defined in section 6 of the Companies (Director's Report) Regulation (Chapter 622D of the laws of Hong Kong)).

主要股東於本公司股份、相關股份中的權益及淡倉

就董事所知，於2022年12月31日，除本公司董事或主要行政人員外，以下人士於本公司股份及相關股份中擁有記錄於本公司須根據證券及期貨條例第336條規定存置的登記冊的權益及淡倉：

附註：「L」字母表示該名人士於股份中的好倉。

除上文披露者外，於2022年12月31日，董事並不知悉任何人士於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露，或記錄於本公司須根據證券及期貨條例第336條規定存置的登記冊的權益及淡倉。

股權掛鈎協議

本公司並無訂立任何股權掛鈎協議（定義見香港法例第622D章《公司（董事報告）規例》第6條）。

DIRECTORS' REPORT

董事會報告

DEED OF NON-COMPETITION

A deed of non-competition dated 20 December 2017 has been entered into by PCB (the “Controlling Shareholder”) in favour of the Company (the “Deed of Non-Competition”). Pursuant to the Deed of Non-Competition, the Controlling Shareholder has undertaken to the Company that it shall not, and will procure its close associates not to, among other matters, directly or indirectly engage, participate, or hold any right or interest in any companies or be involved in any business which is or may be in competition with the business of the Group from time to time. Details of the Deed of Non-Competition are set out in the sub-section headed “Non-Competition Undertakings” in the section headed “Relationship with our Controlling Shareholder” of the Prospectus.

The Company has received an annual declaration in writing from the Controlling Shareholder confirming that it had complied with the non-competition undertakings provided to the Company under the Deed of Non-Competition. The independent non-executive Directors have reviewed the status of compliance and enforcement of the Deed of Non-Competition and confirmed that all the undertakings thereunder have been complied with for the year ended 31 December 2022.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The Company considers all of the independent non-executive Directors to be independent.

不競爭契據

PCB (「控股股東」) 已以本公司為受益人訂立日期為2017年12月20日的不競爭契據 (「不競爭契據」)。根據不競爭契據，控股股東已向本公司承諾，其將不會並將促使其緊密聯繫人不會 (其中包括) 直接或間接從事、參與不時與本集團業務競爭或可能競爭的任何業務，或於當中持有任何權利或權益或涉及其中。不競爭契據的詳情載於招股章程「與控股股東的關係」一節「不競爭承諾」分節。

本公司已收到控股股東發出的年度聲明書，確認其已遵守根據不競爭契據向本公司作出的不競爭承諾。獨立非執行董事已審閱有關遵守及執行不競爭契據的狀況，並且確認於截至2022年12月31日止年度已遵守其中的所有承諾。

確認獨立性

本公司已收到各獨立非執行董事根據聯交所證券上市規則 (「上市規則」) 第3.13條發出的年度獨立性確認書。本公司認為全體獨立非執行董事均為獨立人士。

DIRECTORS' REPORT

董事會報告

EMOLUMENT POLICY

The emolument policy for the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence. The emoluments of the directors of the Company are determined by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

RETIREMENT SCHEMES

The Group operates a defined contribution Employees Provident Fund Scheme for employees in Malaysia. Particulars of these schemes are set out in note 2.20 to the consolidated financial statements.

As prescribed by the Employees Provident Fund ("EPF"), the Group's employees employed in Malaysia who are Malaysian are required to join the EPF scheme. The total costs charged to profit or loss amounting to MYR7,372,000 (2021: MYR6,250,000) represent contributions paid to the retirement benefits scheme by the Group.

PURCHASE, SALES OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities except that the trustee of the Scheme which was adopted on 1 April 2020, pursuant to the terms of the rules and trust deed of the Scheme, purchased on the Stock Exchange a total of 24,618,000 Shares at a total consideration of approximately HKD25.6 million (equivalent to approximately MYR13.9 million) during the year ended 31 December 2022.

薪酬政策

酬委員會根據僱員的長處、資格及能力制定本集團僱員的薪酬政策。薪酬委員會根據本集團的經營業績、董事個別表現及可比較的市場數據，釐定本公司董事的薪酬。

退休福利計劃

本集團為馬來西亞僱員營運一個界定供款的僱員公積金計劃。有關計劃的細節載於綜合財務報表附註2.20。

按照僱員公積金所規定，本集團於馬來西亞聘用而屬於馬來西亞人的僱員須加入僱員公積金計劃。於損益扣除的總成本7,372,000令吉（2021年：6,250,000令吉）為本集團向退休福利計劃支付的供款。

購買、出售或贖回證券

本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券，惟於截至2022年12月31日止年度，於2020年4月1日採納的該計劃的受託人根據規則的條款及該計劃的信託契據於聯交所購買合共24,618,000股股份，總代價約為25.6百萬港元（等於約13.9百萬令吉）。

DIRECTORS' REPORT

董事會報告

PERMITTED INDEMNITY PROVISION

Subject to the applicable laws, every director of the Group's companies shall be entitled to be indemnified by the relevant company against all costs, charges, losses, expenses and liabilities incurred by him or her in the execution and discharge of his or her duties or in relation thereto pursuant to their respective Articles of Associations.

Such provisions were in force during the course of the financial year ended 31 December 2022 and remained in force as of the date of this report. The Company has maintained liability insurance to provide appropriate cover for the directors of the Company and its subsidiaries.

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year ended 31 December 2022 are disclosed in note 39 to the consolidated financial statements. Save as mentioned in the sections headed "Connected Transactions" and "Continuing Connected Transactions" below, other related party transactions did not constitute connected transactions and continuing connected transaction as defined in chapter 14A of the Listing Rules.

CONNECTED TRANSACTIONS

During the year, the Company had entered into the following connected transactions with its connected persons.

On 6 May 2022, the Company entered an assignment of outstanding debt owing by Everready Precision Industrial Corp. ("EPIC") to the Company to Pentamaster Innoteq Sdn. Bhd. ("PISB"), a wholly owned subsidiary of PCB, the holding company of the Company.

EPIC has a debt of USD2,508,013 owing to the Company for equipment supplied to EPIC. The aggregate amount of debt owing by EPIC to the Company, including the debt of Ahead Optoelectronics, Inc., a 88.89% subsidiary of EPIC ("AHEAD") that EPIC agreed as at 6 May 2022 to be assumed by EPIC upon acceptance of such equipment, amounted to USD6,776,733 (the "Outstanding Debt").

獲准許的彌償條文

在適用法律的規限下，本集團各公司的每名董事有權根據各公司的組織章程細則獲有關公司彌償其在執行及履行職責時引致或與此有關的所有成本、收費、損失、開支及債務。

該等條文在截至2022年12月31日止財政年度期間有效，並於本報告日期亦維持有效。本公司已購買責任保險，為本公司及其附屬公司的董事提供適當保障。

關聯方交易

本集團於截至2022年12月31日止年度的關聯方交易詳情於綜合財務報表附註39披露。除下文「關連交易」及「持續關連交易」一節所述者外，其他關聯方交易並不構成上市規則第十四A章界定的關連交易及持續關連交易。

關連交易

年內，本公司已與其關連人士訂立以下關連交易。

於2022年5月6日，本公司將Everready Precision Industrial Corp. (「EPIC」) 結欠的未償還債務轉讓予Pentamaster Innoteq Sdn. Bhd. (「PISB」，本公司控股公司PCB之全資附屬公司)。

EPIC就本公司為EPIC提供的設備結欠本公司2,508,013美元的債務。於2022年5月6日，EPIC結欠本公司的債務總額(包括EPIC同意由EPIC承擔Ahead Optoelectronics, Inc. (「AHEAD」，EPIC擁有88.89%的附屬公司)的債務)為6,776,733美元(「未償還債務」)。

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The consideration for the assignment of the rights to the Outstanding Debt including the right to convert the Outstanding debt into an aggregate of 16,614,507 EPIC Shares to PISB, representing 29.9% of the enlarged equity interest in EPIC is USD6,776,773 (the "Assignment"). The consideration was determined after arm's length negotiations between the Company, EPIC and PISB with reference to, among other things, the Outstanding Debt amount of USD6,776,733 and historical financial performance of EPIC.

The Board, having considered (i) the businesses of AHEAD and EPIC were expected to be adversely affected by the protracted COVID-19 outbreak in the short term; (ii) EPIC has proposed establishing a manufacturing joint venture in China with the investment arm of a major enterprise in China for its business expansion; and (iii) the outlook of the optoelectronics market in China, originally resolved to agree with EPIC that the Outstanding Debt may be settled by way of issuance of new shares of EPIC to the Group. On 20 April 2022, the Company entered into a share conversion letter of undertaking with EPIC and AHEAD for the aforesaid purposes, the details of which can be found in the Company's announcement dated 4 July 2022. Subsequently on 6 May 2022, after taking into account that holding a minority stake in EPIC, a loss making private company, is not in line with the Group's strategy and that the Assignment would allow the Group to recoup fully in cash the Outstanding Debt originally owed by EPIC and AHEAD to the Company, the Board resolved to enter into an assignment agreement with EPIC and PSIB. For details, please refer to the Company's announcement dated 4 July 2022 and 15 July 2022.

CONTINUING CONNECTED TRANSACTIONS

The Group had entered into the following continuing connected transactions with its connected persons.

Trademark Licence Agreement

On 19 December 2017, Pentamaster Technology (M) Sdn. Bhd., a direct wholly-owned subsidiary of the Company ("PT"), entered into a trademark licence agreement (the "Trademark Licence Agreement") with PCB, pursuant to which PT granted to PCB an irrevocable right to use the trademarks (the "Trademarks"), for use in PCB Group's day-to-day business on a non-transferable, non-exclusive and royalty-free basis, for an indefinite term until PCB ceases to be a Controlling Shareholder.

向PISB轉讓未償還債務權利(包括將未償還債務轉換為合共16,614,507股EPIC股份的權利,相當於EPIC經擴大股權的29.9%)的代價為6,776,773美元(「轉讓」)。代價乃由本公司、EPIC及PISB公平磋商並參考(其中包括)未償還債務金額6,776,733美元及EPIC的過往財務表現後釐定。

董事會考慮到(i)AHEAD和EPIC的業務預計將在短期內受到COVID-19持續已久的不利影響;(ii)EPIC亦提議與中國一家大型企業在中國成立了一家合資製造公司以擴大其業務;以及(iii)中國光電子市場的前景,最初決議同意EPIC通過向本集團發行EPIC的新股份的方式來解決未償還債務。於2022年4月20日,本公司與EPIC及AHEAD就上述目的訂立股份轉換承諾書,詳情可參閱本公司日期為2022年7月4日的公告。隨後於2022年5月6日,考慮到持有虧損的私人公司EPIC的少數股權不符合本集團的策略,以及轉讓可讓本集團以現金全數收回EPIC及AHEAD原欠本公司的未償還債務,董事會決議與EPIC及PSIB訂立轉讓協議。詳情請參閱本公司日期為2022年7月4日及2022年7月15日的公告。

持續關連交易

本集團曾與其關連人士進行以下持續關連交易。

商標許可協議

於2017年12月19日,本公司直接全資附屬公司Pentamaster Technology (M) Sdn. Bhd. (「PT」)與PCB訂立一項商標許可協議(「商標許可協議」),據此,PT向PCB授出一項不可撤銷權利,以於PCB集團的日常業務中按不可轉讓、非獨家基準無償使用商標(「商標」),使用期限為無限,直至PCB不再為控股股東為止。

DIRECTORS' REPORT

董事會報告

As the Trademarks have been widely adopted in all the businesses and activities managed and operated by the Pentamaster Group and are generally known and recognised by the public, the Trademarks have become an important means of promoting the Pentamaster Group's brand and image and a key icon in all of the Pentamaster Group's external promotion and marketing activities. The continual use of the Trademarks will ensure the continuity of the brand and image of the Pentamaster Group, thereby ensuring the long-term development and continuity of the Pentamaster Group's business. Having considered the foregoing, our Directors consider that it is reasonable to license the Trademarks to PCB to enable it to sustain the PCB Group's business operations and an indefinite duration of the agreement (until PCB ceases to be a Controlling Shareholder) is justifiable. Our Directors are of the view that the Trademark Licence Agreement has been entered into on normal commercial terms which are fair and reasonable and in the interests of the Pentamaster Group and our Shareholders as a whole.

As the applicable percentage ratios for the Trademark Licence Agreement is expected to be less than 0.1% on an annual basis, such transaction is fully exempt from the reporting, annual review, announcement, circular, independent financial advice and the independent shareholders' approval requirement under Rule 14A.76(1) of the Listing Rules.

Lease agreements in respect of office premises

On 19 December 2017, PT as landlord entered into two lease agreements, one with each of PCB and Pentamaster Smart Solution Sdn. Bhd. ("PSS"), a subsidiary of PCB respectively, as tenant (together the "Lease Agreements"), pursuant to which PT agreed to lease the premises situated at Plot 18 & 19, Technoplex, Medan Bayan Lepas, Taman Perindustrian Bayan Lepas, Phase IV, 11900 Penang, Malaysia with a gross floor area of 7,368 sq.ft and 3,000 sq.ft respectively (the "Office Premises") to each of PCB and PSS for office use.

由於商標已廣泛應用於Pentamaster集團管理及運營的所有業務及活動，並被大眾普遍認識及認可，商標已成為Pentamaster集團品牌及形象推廣的一個重要方式及Pentamaster集團所有外部推廣及營銷活動的關鍵標誌。持續使用商標將確保Pentamaster集團品牌及形象的連續性，進而確保Pentamaster集團業務長期發展及持續經營。經考慮上文所述，董事認為向PCB授出商標許可可以維持PCB集團的業務營運屬合理，而無確定期限（直至PCB不再為控股股東為止）的長期協議亦屬適當。董事認為，商標許可協議乃按一般商業條款訂立，屬公平合理，並符合Pentamaster集團及股東的整體利益。

由於預期商標許可協議的適用年度百分比率低於0.1%，有關交易獲全面豁免遵守上市規則第14A.76(1)條項下有關申報、年度審閱、公告、通函、獨立財務意見及獨立股東批准的規定。

辦公室物業租賃協議

於2017年12月19日，PT（作為業主）與PCB及PCB附屬公司Pentamaster Smart Solution Sdn. Bhd.（「PSS」）（作為租戶）分別各自訂立一項租賃協議（統稱「租賃協議」），據此，PT同意將位於Plot 18 & 19, Technoplex, Medan Bayan Lepas, Taman Perindustrian Bayan Lepas, Phase IV, 11900 Penang, Malaysia，總建築面積分別為7,368平方呎及3,000平方呎的物業（「辦公物業」）出租予PCB及PSS作辦公室用途。

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The Lease Agreements have a term of three years commencing from the Listing Date. On 1 October 2018, PT entered into two revised lease agreements with PCB and PSS respectively. The revised lease agreements had a term of 15 months until 31 December 2019. The revised lease agreements were subsequently extended annually for PCB and PSS with a gross floor area of 930 sq. ft. and 559 sq. ft. respectively. The rental to be paid to PT under each of the Lease Agreements was negotiated on an arm's length basis and on normal commercial terms determined based on the historical rental for the Office Premises and the prevailing market rent of similar premises.

Since the transactions contemplated under the Lease Agreements are similar in nature, such transactions should be aggregated pursuant to Rule 14A.81 of the Listing Rules. As the highest applicable percentage ratio for the Lease Agreements in aggregate calculated for the purpose of Chapter 14A of the Listing Rules is less than 5.0% and the annual consideration is less than HK\$3.0 million, such continuing connected transactions are within the de minimis threshold stipulated in the Rule 14A.76(1) of the Listing Rules and fully exempt from the reporting, annual review, announcement, circular, independent financial advice and the independent shareholders' approval requirement under Rule 14A.76(1) of the Listing Rules.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of sales and purchases for the year attributable to the Group's major customers and suppliers are as follows:

Sales

- the largest customer: 15.6%
- five largest customers in aggregate: 41.9%

Purchases

- the largest supplier: 9.4%
- five largest suppliers in aggregate: 25.9%

租賃協議期限為自上市日期起計為期三年。於2018年10月1日，PT分別與PCB及PSS簽訂經修訂協議，共計兩份。經修訂租賃協議期限為15個月，直至2019年12月31日。PCB及PSS的經修訂租賃協議其後每年延長，總建築面積分別為930平方呎及559平方呎。根據各租賃協議將支付予PT的租金乃經公平協商後按一般商業條款訂立，且基於辦公室物業的歷史租金及相若物業的現行市場租金釐定。

由於租賃協議項下擬進行的交易性質類似，故根據上市規則第14A.81條，該等交易應合併計算。由於就上市規則第十四A章所合併計算的租賃協議的最高適用百分比率低於5.0%且年度代價低於3.0百萬港元，故有關持續關連交易屬上市規則第14A.76(1)條訂明的最低豁免水平限額，獲全面豁免遵守上市規則第14A.76(1)條項下有關申報、年度審閱、公告、通函、獨立財務意見及獨立股東批准的規定。

主要客戶及供應商

本集團主要客戶及供應商應佔的年內銷售額及採購額百分比如下：

銷售額

- 最大客戶：15.6%
- 五大客戶總計：41.9%

採購額

- 最大供應商：9.4%
- 五大供應商總計：25.9%

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At no time during the year, the Directors, their associates or any Shareholders (which to the knowledge of the Directors own more than 5.0% of the Company's share capital) has any interest in these major customers or suppliers.

CORPORATE GOVERNANCE

Details of the Company's corporate governance practices are set out in the section headed "Corporate Governance Report" in this annual report.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands, which shall oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total number of issued share was held by the public as at the date of this report.

AUDITORS

The consolidated financial statements for the year ended 31 December 2022 have been audited by GTHK, who will retire at the forthcoming AGM and being eligible, offers themselves for re-appointment. A resolution for the re-appointment of GTHK as auditors of the Company will be proposed at the forthcoming AGM. There has been no change of auditor of the Company since the Listing Date.

於年內任何時間，董事、彼等的聯繫人或任何股東（據董事所知擁有超過5.0%本公司股本）概無於上述主要客戶或供應商中擁有任何權益。

企業管治

本公司企業管治慣例的詳情載於本年報「企業管治報告」一節。

優先購買權

組織章程細則或開曼群島法例並無有關優先購買權的條文，規定本公司須按比例向現有股東提呈發售新股份。

足夠公眾持股量

根據本公司所得的公開資料及據董事所知，於本報告日期，本公司已發行股份總數至少25%由公眾人士持有。

核數師

截至2022年12月31日止年度的綜合財務報表已經由致同香港審計，其將於應屆股東週年大會上告退，惟其符合資格並願意接受續聘。應屆股東週年大會上將提呈一項決議案，以續聘致同香港為本公司核數師。自上市日期以來，本公司核數師概無變動。