



# Hi-P INTERNATIONAL LIMITED

Bringing value to our customers through quality & technology

[www.hi-p.com](http://www.hi-p.com)

## 3Q2019 Results Briefing

The Integrated

Electro-Mechanics

Solution Provider



# 3Q2019 Overview

Mr. Yao Hsiao Tung

Executive Chairman & CEO

# Key Financial Highlights



<b>(S\$m)</b>	<b>3Q2019</b>	<b>3Q2018</b>	<b>% Change</b>
<b>Revenue</b>	397.5	377.1	5.4
<b>Gross Profit</b>	56.5	58.3	(3.0)
<b>Gross Profit Margin (%)</b>	14.2	15.5	(1.3) pts
<b>Profit After Tax</b>	32.9	33.8	(2.7)
<b>Net Profit Margin (%)</b>	8.3	9.0	(0.7) pts
<b>Earnings per Share (Sing Cents)</b>	4.10	4.19	(2.1)

# Key Financial Highlights (YOY)

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## 3Q2019 vs 3Q2018

- ❑ Revenue increased 5.4% yoy to S\$397.5 million despite challenging market conditions
- ❑ Net cash position improved to S\$179.8 million as at 30 September 2019 (31 December 2018: S\$120.2 million)
- ❑ Board of Directors recommends an interim dividend of 0.8 Singapore cents

# Capex Update

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- ❑ For 3Q2019, CAPEX amounted to S\$25.9 million

# Net Cash Position



<b>Category</b>	<b>30 Sept 19 S\$'m</b>	<b>31 Dec 18 S\$'m</b>
<b>Cash and Cash Equivalents &amp; Restricted Bank Deposits</b>	249.5	288.4
<b>Borrowings*</b>	(69.7)	(168.2)
<b>Net Cash</b>	179.8	120.2

\*Excluding lease liabilities related to right-of-use assets



# Business Updates

# Business Situation Update

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- ❑ Trade war outcome remains uncertain but the company has moderated its impact
- ❑ Announced the proposed acquisition of SEAMCO<sup>1</sup> which will allow the Group to penetrate new customers, increase product offering and strengthen technological capabilities
- ❑ Improving production automation, computerization of system flows and diversification of process abilities

<sup>1</sup>For more information, please refer to the announcement on SGXNet dated 8 October 2019 on the proposed acquisition of a 100% stake in South East Asia Moulding Company Pte. Ltd.





# Earnings Outlook

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Barring any other unforeseen circumstances, the Group wishes to guide its performance as follows:

- ❑ The Group expects lower revenue and profit for 4Q2019 as compared to 4Q2018
- ❑ The Group expects higher revenue and profit for 2H2019 as compared to 1H2019
- ❑ The Group expects lower revenue and profit for FY2019 as compared to FY2018



# Thank You

## Q & A



*Work Together,  
Succeed Together...*