



# Hi-P INTERNATIONAL LIMITED

Bringing value to our customers through quality & technology

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

## 2Q2017 Results Briefing

The Integrated

Electro-Mechanics

Solution Provider



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# 2Q2017 Overview

Mr. Yao Hsiao Tung  
Executive Chairman & CEO

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# Key Financial Highlights



<b>(S\$m)</b>	<b>2Q17</b>	<b>2Q16</b>	<b>YOY % Chg</b>	<b>1Q17</b>	<b>QOQ % Chg</b>
<b>Revenue</b>	279.5	285.4	(2.0)	244.2	14.5
<b>Gross Profit</b>	34.2	20.7	64.9	33.4	2.2
<b>Gross Profit Margin (%)</b>	12.2	7.3	4.9 pts	13.7	(1.5 pts)
<b>Profit After Tax</b>	15.1	7.6	97.5	8.4	79.7
<b>Earnings per Share (Sing Cents)</b>	1.87	0.94	98.9	1.04	79.8
<b>Net Asset Value per Share (Sing Cents)</b>	73.44	62.97	16.6	71.74	2.4

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# Key Financial Highlights (YOY)

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## 2Q2017 vs. 2Q2016

Gross profit margin expands 4.9 pts to 12.2% due to:

- ❑ Less high component content assembly products
- ❑ Improved operational efficiency

Net profit increased 97.5% yoy to S\$15.1 million

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# Capex Update

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- ❑ For 2Q2017, CAPEX amounted to S\$10.2 million

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# Net Cash Position



<b>Category</b>	<b>30 Jun 17 S\$'m</b>	<b>31 Dec 16 S\$'m</b>
<b>Cash and Cash Equivalents &amp; Bank Deposits</b>	<b>255.2</b>	<b>120.7</b>
<b>Borrowings</b>	<b>(98.6)</b>	<b>(93.4)</b>
<b>Finance Lease</b>	<b>(0.1)</b>	<b>(2.2)</b>
<b>Net Cash</b>	<b>156.5</b>	<b>25.1</b>

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# Dividend

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- The Board of Directors recommends an interim dividend of 19 Sing cents per share to reward shareholders for their support

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# Business Updates

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# Business Situation Update

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- ❑ Core business generated strong positive operating cash flow of S\$51.5 million for 2Q2017
- ❑ Enters into ramp-up of production phase for 2H2017
- ❑ Focus on succession planning to ensure long-term sustainability
- ❑ Economic environment remains uncertain with increased competition but we are well positioned

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# Earnings Outlook

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# Earnings Outlook

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

- ❑ The Group expects similar revenue and profit for 3Q2017 as compared to 3Q2016
- ❑ The Group expects higher revenue and profit for 2H2017 as compared to 1H2017.
- ❑ The Group expects similar revenue but higher profit for FY2017 as compared to FY2016.

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# Thank You

## Q & A

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Succeed Together...*