



Hi-P INTERNATIONAL LIMITED

Bringing value to our customers through quality & technology

www.hi-p.com

3Q2018 Results Briefing

The Integrated

Electro-Mechanics

Solution Provider



3Q2018 Overview

Mr. Yao Hsiao Tung

Executive Chairman & CEO

Key Financial Highlights



(S\$m)	3Q2018	3Q2017	% Change
Revenue	377.1	411.3	(8.3)
Gross Profit	58.3	68.1	(14.4)
Gross Profit Margin (%)	15.5	16.5	(1.0pts)
Profit After Tax	33.8	38.4	(11.9)
Net Profit Margin (%)	9.0	9.3	(0.3pts)
Earnings per Share (Sing Cents)	4.19	4.76	(12.0)

Key Financial Highlights (YOY)



3Q2018 vs. 3Q2017

- ❑ Revenue declines 8.3% YoY to S\$377.1 million mainly due to:
 - ❑ less high component content projects
 - ❑ decline in market demand resulting from economic uncertainty
 - ❑ a slower ramp up for certain new products

- ❑ Board of Directors recommends an interim dividend of 1.0 Sing cent (3Q2017: Interim dividend of 2.0 Sing cents)

Capex Update



- ❑ For 3Q2018, CAPEX amounted to S\$27.9 million

Net Cash Position



Category	30 Sept 18 S\$' m	31 Dec 17 S\$' m
Cash and Cash Equivalents & Bank Deposits	236.7	282.8
Borrowings	(173.2)	(205.1)
Finance Lease	-	(0.1)
Net Cash	63.5	77.6



Business Updates

Business Situation Update



- ❑ Sentiment surrounding the trade war has led to tense business conditions
- ❑ New business development initiatives in place to expand customer base in Europe and Asia
- ❑ Actively exploring mergers and acquisitions and opportunities to expand manufacturing footprint to new geographic regions



Earnings Outlook

Earnings Outlook



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

- ❑ The Group expects lower revenue and profit for 4Q2018 as compared to 4Q2017
- ❑ The Group expects higher revenue and profit for 2H2018 as compared to 1H2018
- ❑ The Group expects lower revenue and profit for FY2018 as compared to FY2017



Thank You

Q & A



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Succeed Together...*