



Hi-P INTERNATIONAL LIMITED

Bringing value to our customers through quality & technology

www.hi-p.com

2Q2019 Results Briefing

The Integrated

Electro-Mechanics

Solution Provider



2Q2019 Overview

Mr. Yao Hsiao Tung

Executive Chairman & CEO

Key Financial Highlights



(S\$m)	2Q2019	2Q2018	% Change
Revenue	286.4	302.0	(5.2)
Gross Profit	39.8	29.7	34.1
Gross Profit Margin (%)	13.9	9.8	4.1 pts
Profit After Tax	14.4	12.3	17.1
Net Profit Margin (%)	5.0	4.1	0.9 pts
Earnings per Share (Sing Cents)	1.79	1.52	17.8

Key Financial Highlights (YOY)



2Q2019 vs. 2Q2018

- ❑ Gross profit margin increased to 13.9% due to:
 - ❑ Change in product mix
 - ❑ Better cost management
 - ❑ More effective spending on new product introduction
 - ❑ Deconsolidation of losses from the FPCB business unit

- ❑ Net profit increased 17.1% yoy to S\$14.4 million

- ❑ Net cash improved to S\$149.2 million as at 30 June 2019 (31 December 2018: S\$120.2 million)

Capex Update



- ❑ For 2Q2019, CAPEX amounted to S\$20.6 million

Net Cash Position



Category	30 Jun 19 S\$' m	31 Dec 18 S\$' m
Cash and Cash Equivalents & Bank Deposits	252.0	288.4
Borrowings*	(102.8)	(168.2)
Net Cash	149.2	120.2

*Excluding lease liabilities arising from right-of-use assets



Business Updates

Business Situation Update



- ❑ Expansion and new project launches at the Group's Thailand operations have commenced as scheduled
- ❑ Striving to penetrate new product fields through organic and inorganic growth initiatives
- ❑ Strengthening sales force in US, Europe and Asia
- ❑ Increasing automation with the aid of artificial intelligence



Earnings Outlook

Earnings Outlook



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

- ❑ The Group expects higher revenue and similar profit for 3Q2019 as compared to 3Q2018
- ❑ The Group expects higher revenue and profit for 2H2019 as compared to 1H2019
- ❑ The Group expects similar revenue but lower profit for FY2019 as compared to FY2018



Thank You

Q & A



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Succeed Together...*