



Hi-P INTERNATIONAL LIMITED

Bringing value to our customers through quality & technology

www.hi-p.com

1Q2017 Results Briefing

The Integrated

Electro-Mechanics

Solution Provider



1Q2017 Overview

Mr. Yao Hsiao Tung
Executive Chairman & CEO

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Key Financial Highlights



(S\$m)	1Q2017	1Q2016	% Change
Revenue	244.2	275.6	(11.4)
Gross Profit	33.4	16.7	100.0
Gross Profit Margin (%)	13.7	6.1	7.6 pts
Profit/(Loss) After Tax	8.4	(12.4)	n.m.
Net Profit Margin (%)	3.4	n.m.	n.m.
Earnings/(Loss) per Share (Sing Cents)	1.04	(1.52)	n.m.
Net Asset Value per Share (Sing Cents)	71.74	63.93	12.2

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Key Financial Highlights (YOY)



1Q2017 vs 1Q2016

- ❑ Returned to profitability with S\$8.4 million net profit
- ❑ Gross profit margin improved to 13.7% due to:
 - Improved operational efficiency
 - Effective cost management
 - Better product mix
- ❑ Improved cash position from net debt of S\$122.7 million as at 31 March 2016 to net cash of S\$119.4 million

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Capex Update



- For 1Q2017, CAPEX amounted S\$8.6 million

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Net Cash/ (Debt) Position



Category	31 Mar 17 S\$m	31 Dec 16 S\$m	31 Mar 16 S\$m
Cash and Cash Equivalents & Bank Deposits	185.3	120.7	129.7
Borrowings	(65.4)	(93.4)	(244.3)
Finance Lease	(0.5)	(2.2)	(8.1)
Net Cash/ (Debt)	119.4	25.1	(122.7)
Net Gearing Ratio	n.m.	n.m.	23.5%

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Business Updates

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Business Situation Update



- ❑ Projects in initial stages to be ramped up in 2H2017
- ❑ Significant improvements to yield and productivity
- ❑ Core business generated strong positive operating cash flow of S\$104.3 million for 1Q2017
- ❑ Economic environment remains uncertain with increased competition

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Earnings Outlook

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Earnings Outlook



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

- ❑ The Group expects lower revenue for 2Q2017 as compared to 2Q2016 but profit to be comparable.
- ❑ 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...*