

# Malaysian Pacific Industries Berhad Investors' Briefing

Q1 FY19

DIFFERENTIATION THROUGH INNOVATION



 **Carsem**  
A Member of the Hong Leong Group

Differentiation  
Thru Innovation





## Q1 FY19 SUMMARY

REVENUE	MPI achieved a record breaking topline of over US\$ 100M in a quarter Revenue <b>UP by 11%</b> (USD), <b>7%</b> (RM) in Q1 FY19 Vs Q1 FY18 Sequential Revenue <b>UP by 2%</b> (USD), <b>5%</b> (RM) in Q1 FY19 Vs Q4 FY18	↑
PAT	Q1 FY19 PAT <b>higher by 11%</b> Vs Q4 FY18 to close at <b>RM 53.3M</b> PAT <b>higher by 22%</b> against last year's corresponding quarter	↑
EPS	Q1 FY19 EPS at <b>22.25c</b> vs <b>20.55c</b> of Q4 FY18	↑
DIVIDEND	<b>1<sup>st</sup> Interim Dividend of 10 sen to be declared</b>	↑
CASH	<b>Net cash increased to RM644M vs RM573M</b> of Q4 FY18	↑
SEGMENTS	Automotive segment is strengthening; <b>Automotive (30%); Industrial (25%); Consumer (35%)</b>	↑





## TRADE WAR

### TRADE WAR

*In spite of China & US being locked in an ongoing trade war, MPI had an extremely good quarter mainly due to:*

#### Portfolio Rationalization

MPI carried out portfolio rationalization where products with weak margins have been replaced with high margin products.

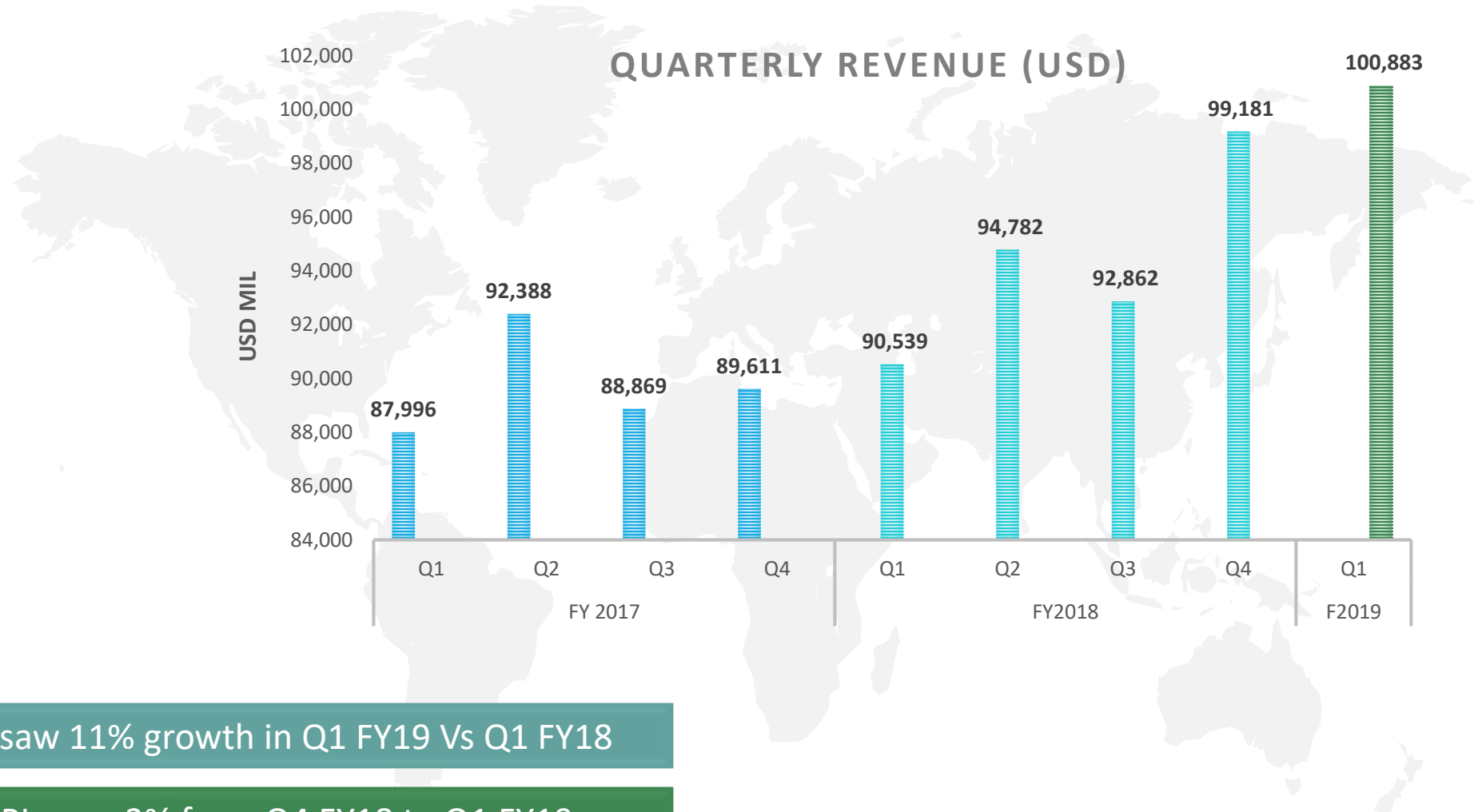
#### Innovative Products

Introduced new products in key segments – Automotive (Sensors) and Servers.





# REVENUE BY QUARTER



MPI saw 11% growth in Q1 FY19 Vs Q1 FY18

MPI grew 2% from Q4 FY18 to Q1 FY19





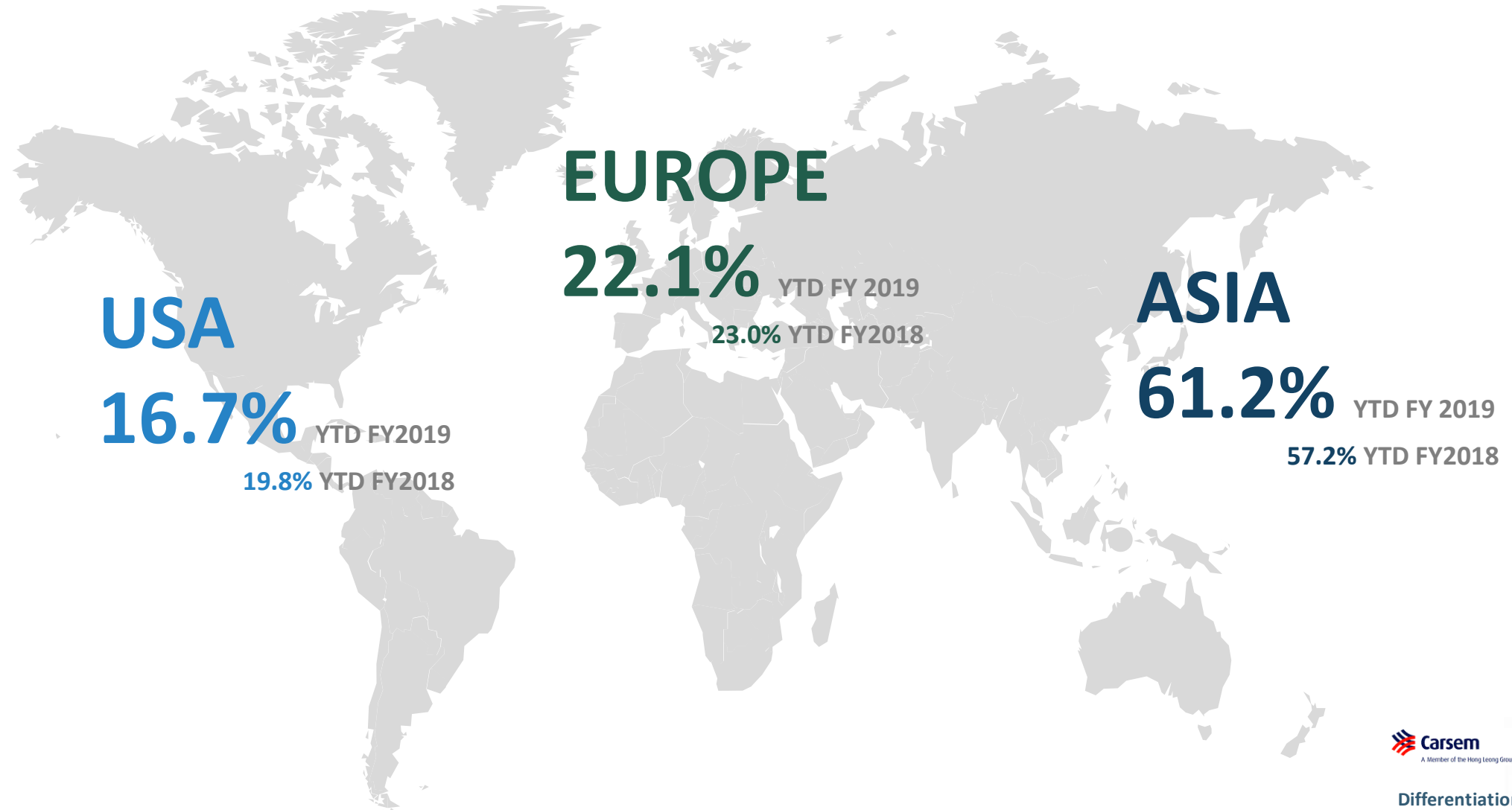
## MPI GROUP RESULTS AT A GLANCE

	Q1 FY19	Q4 FY18	Q1 FY18	Q1 vs Q4	Q1 vs Q1	YTD FY19	YTD FY18	YoY
	RM mil	RM mil	RM mil	%	%	RM mil	RM mil	%
<b>Revenue</b>	<b>413.8</b>	<b>393.1</b>	<b>387.6</b>	<b>5%</b>	<b>7%</b>	<b>413.8</b>	<b>387.6</b>	<b>7%</b>
PAT	53.3	48.1	43.8	11%	22%	53.3	43.8	22%
PATAMI	42.3	39.0	36.2	8%	17%	42.3	36.2	17%
EPS (sen)	22.25	20.55	19.08	8%	17%	22.25	19.08	17%
EBITDA %	26%	25%	26%			26%	26%	
Capex	78.5	24.5	30.7	>100%	>100%	78.5	30.7	>100%
Dividend	0	38	0			0	0	
Net Cash	643.9	572.6	541.9			643.9	541.9	
EDR	100 : 0	100 : 0	100 : 0			100 : 0	100 : 0	
ROSF	3.6%	3.5%	3.2%			3.6%	3.2%	





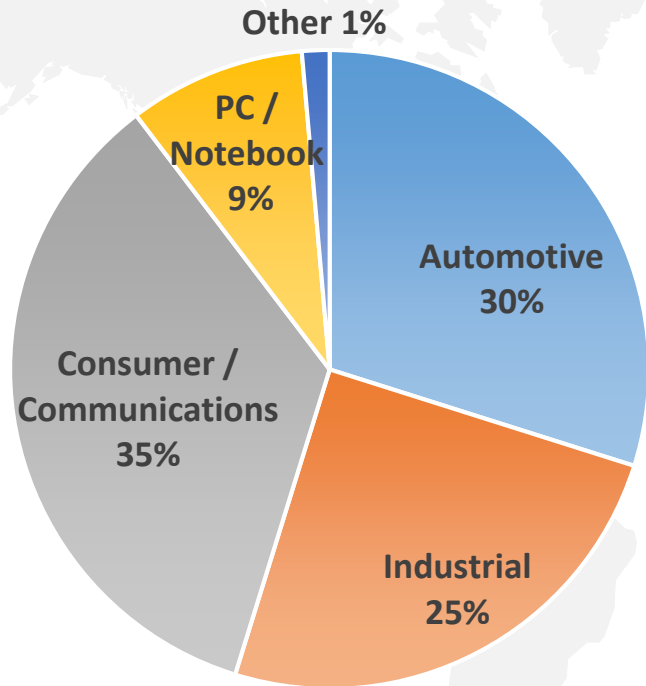
# MPI GROUP – REVENUE BY GEOGRAPHICAL LOCATION OF CUSTOMERS



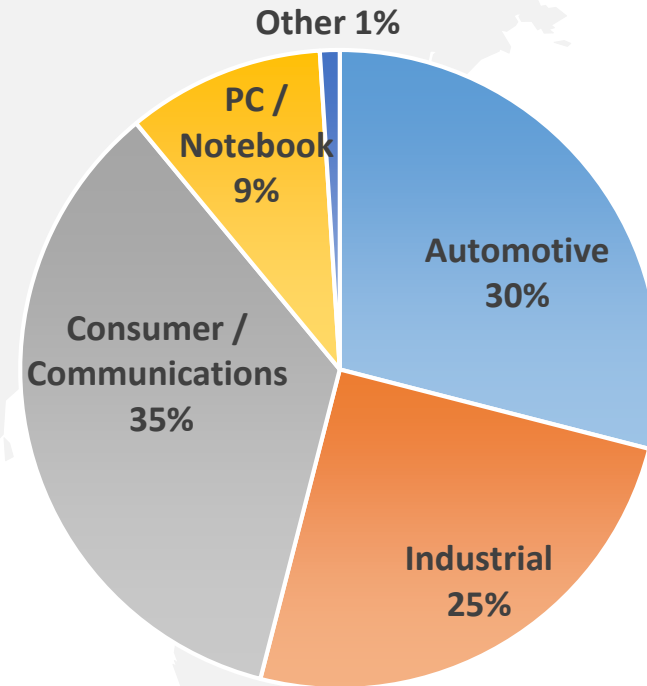


# REVENUE BY END USER MARKET

REVENUE BY END USER MARKET Q1 FY19



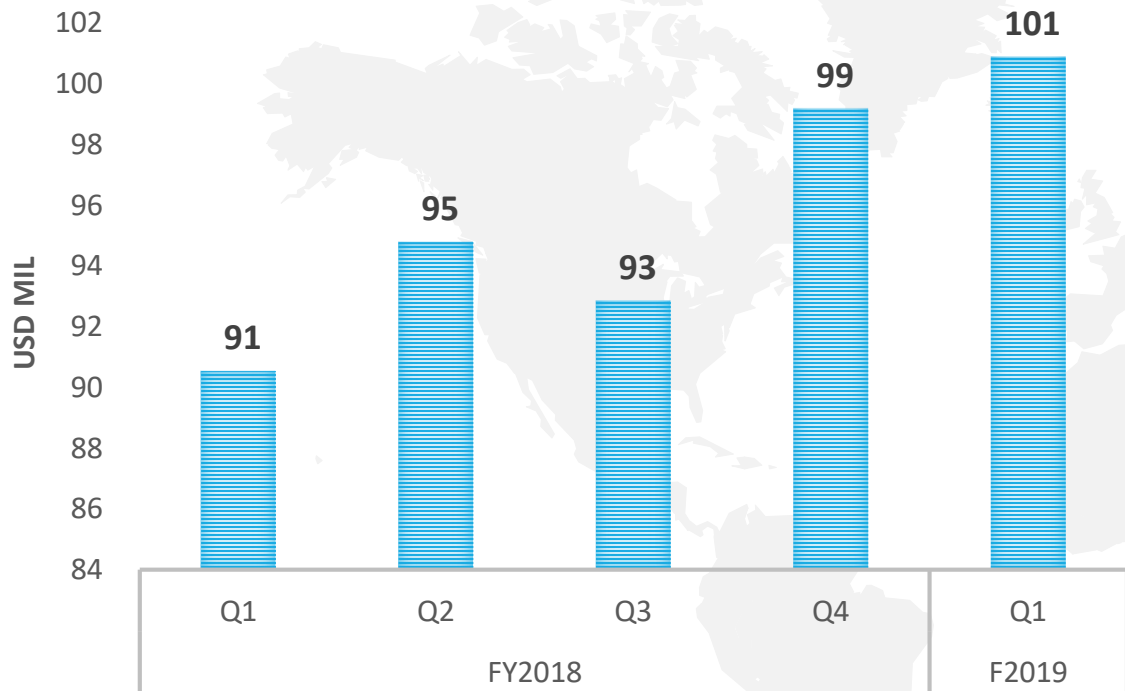
REVENUE BY END USER MARKET Q4 FY18



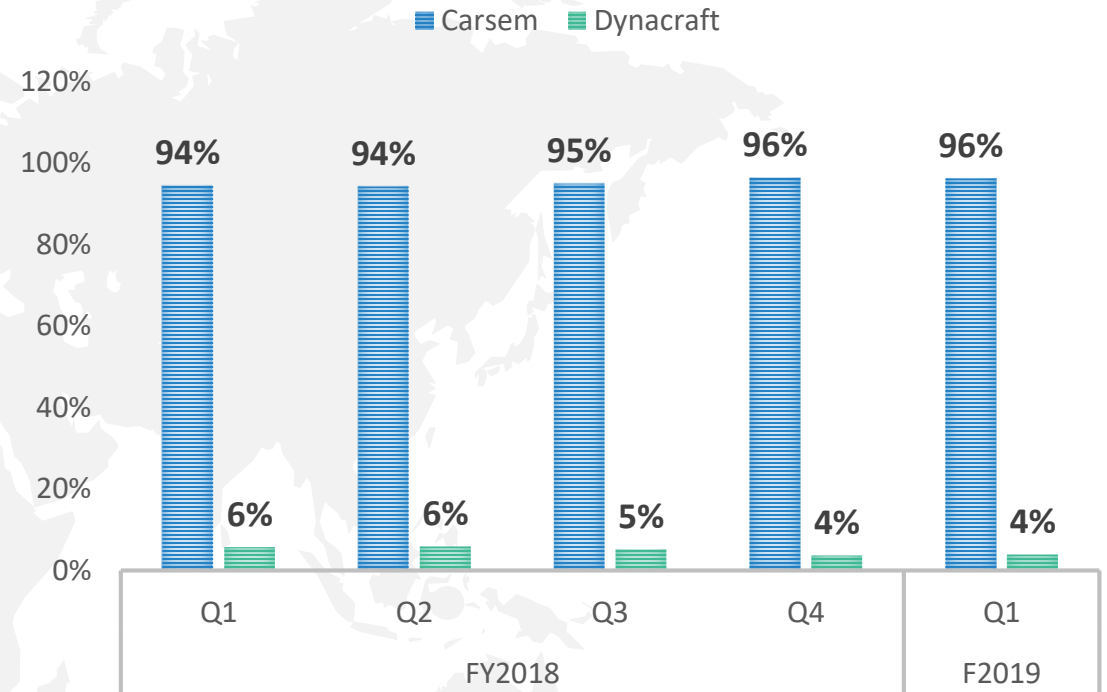


# MPI GROUP – REVENUE BY OPERATING UNITS

### REVENUE (USD)



### REVENUE BY OPERATING UNITS (%)

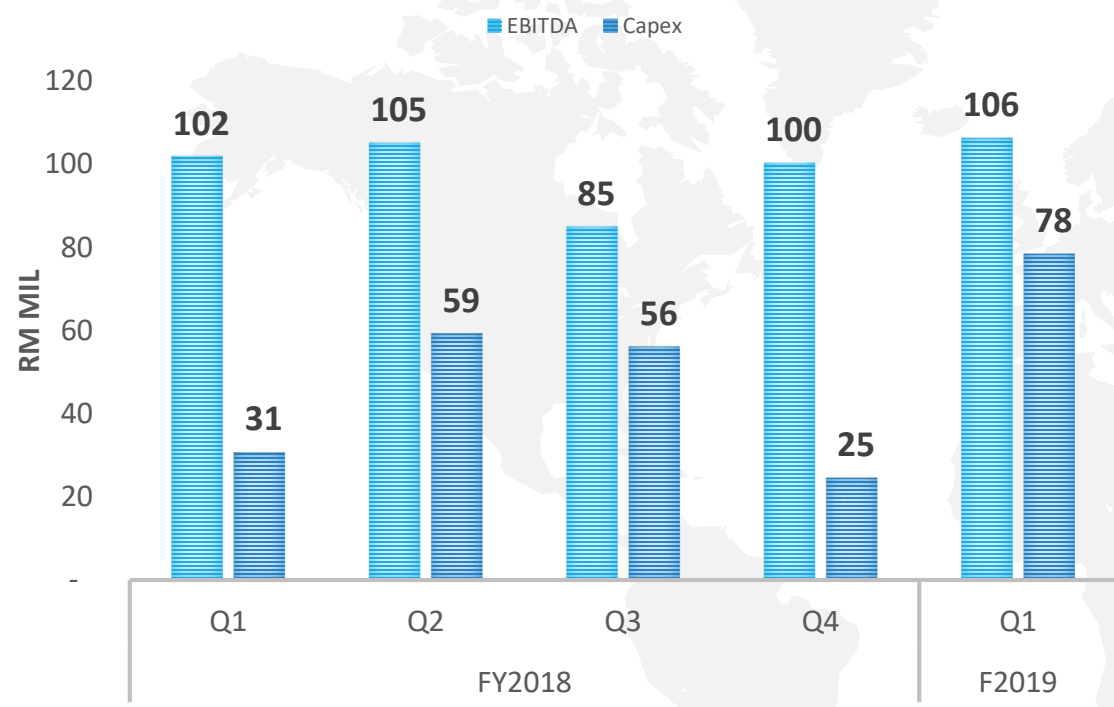




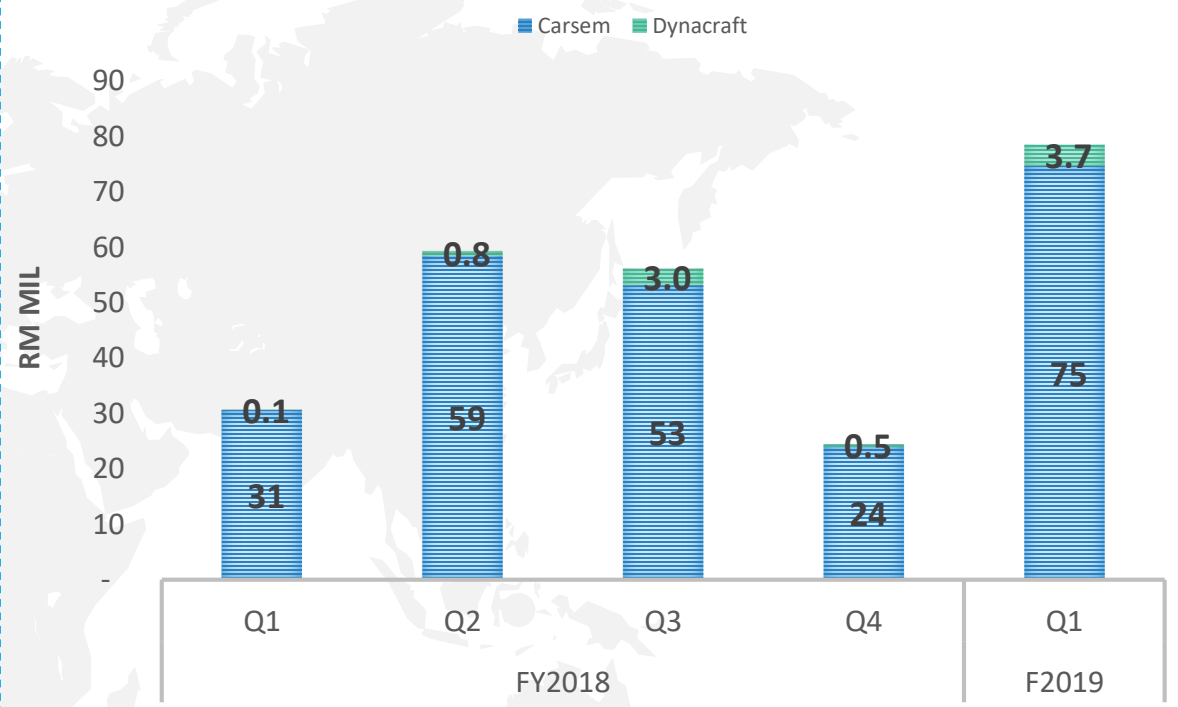


# MPI GROUP – CAPEX

## MPI EBITDA VS CAPEX (RM M)



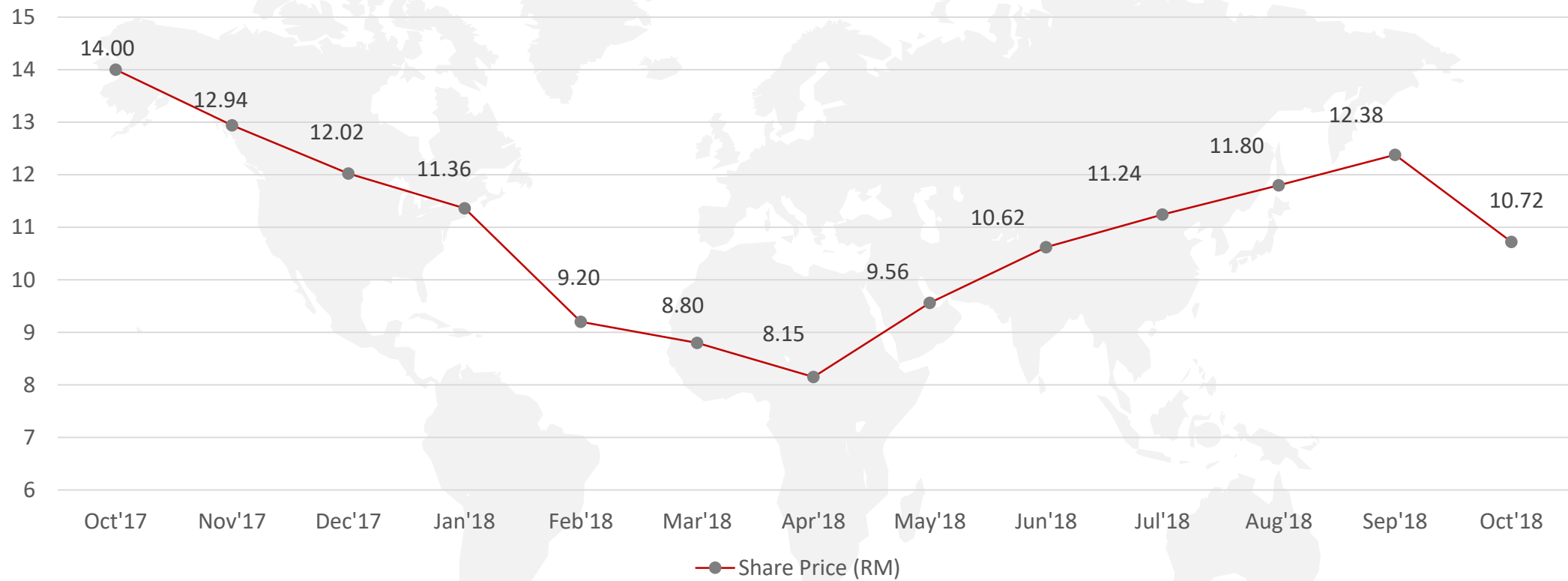
## MPI CAPEX





# MPI SHARE PRICE

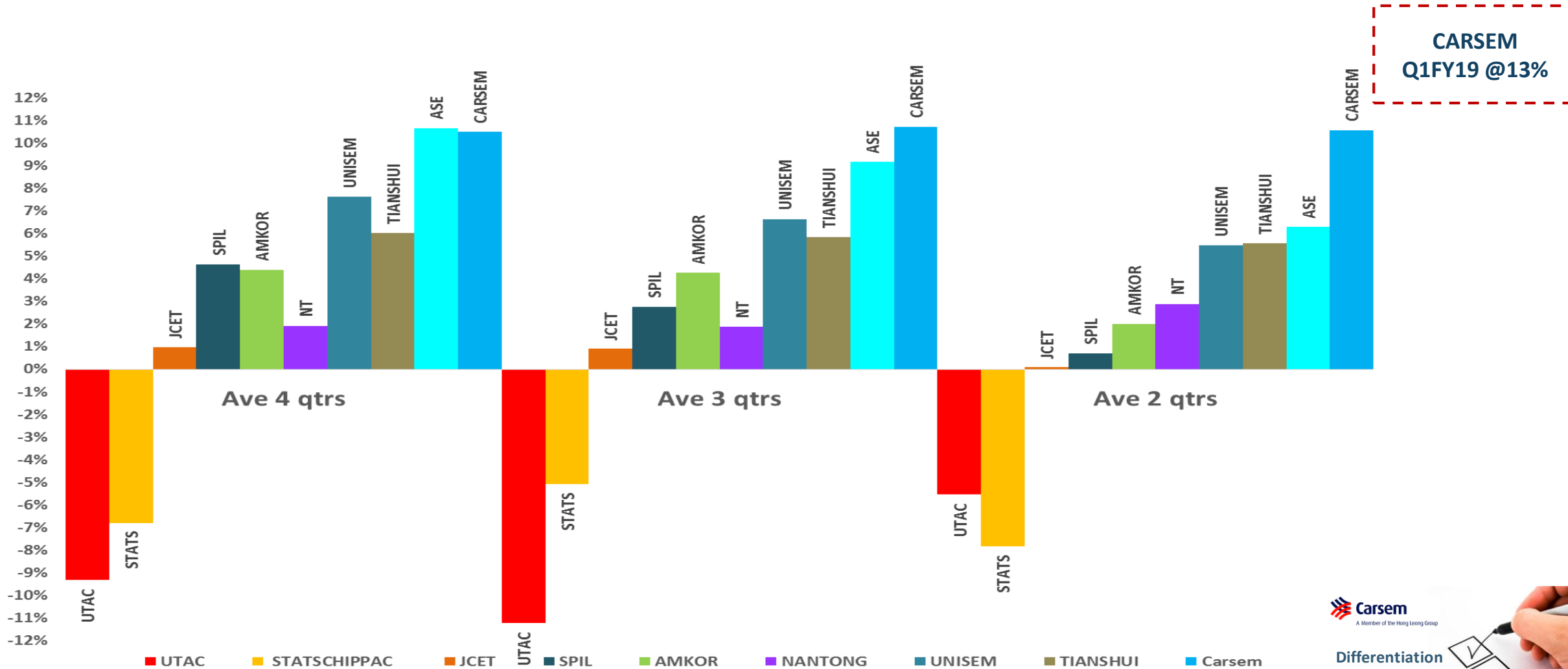
## MPI SHARE PRICE FOR A YEAR





# MAJOR OSAT PATAMI TREND ON QUARTERLY BASIS

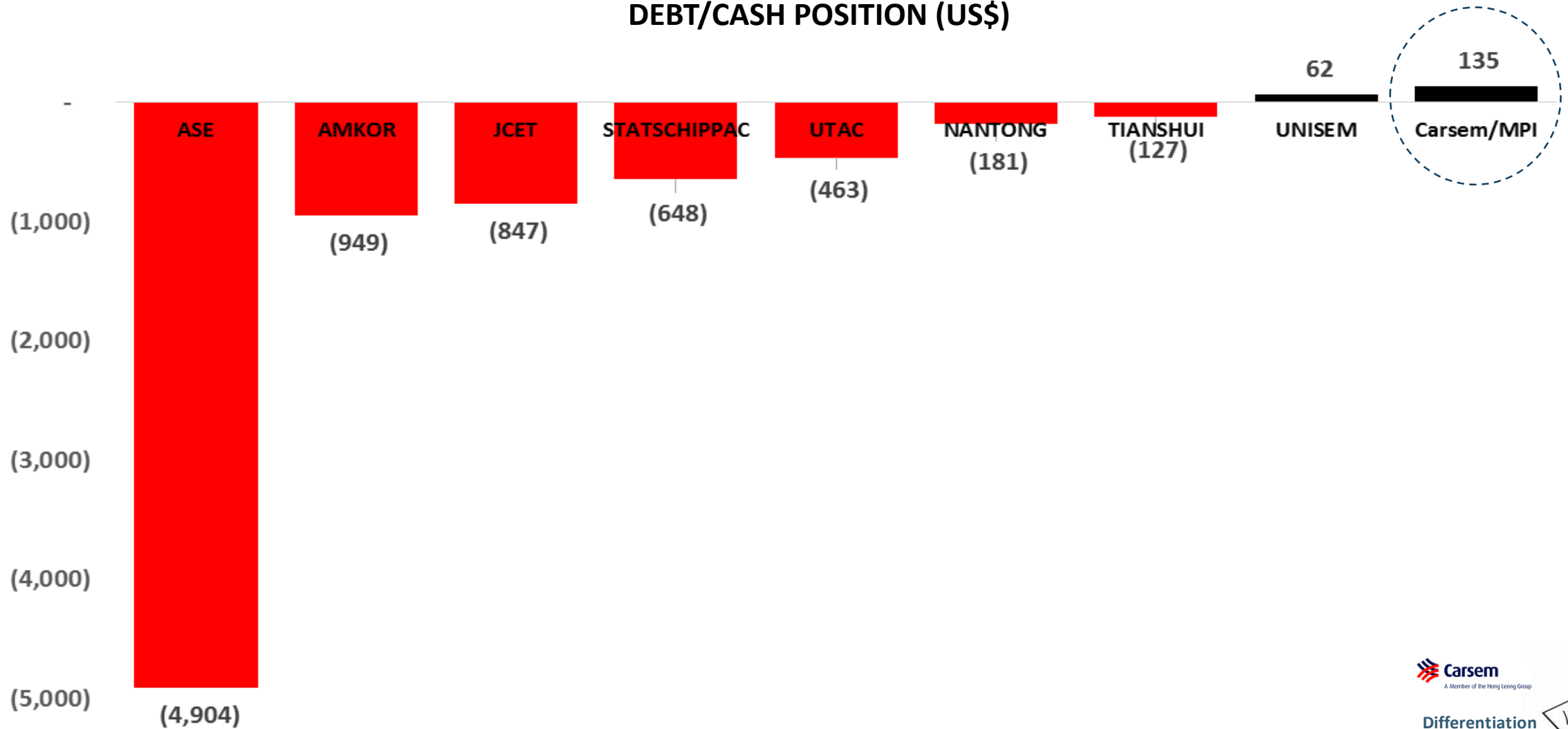
## PATAMI TREND ON QUARTERLY BASIS





## DEBT/CASH POSITION OF OSAT PLAYERS

DEBT/CASH POSITION (US\$)





## FUTURE PLANS

### ROADSHOWS

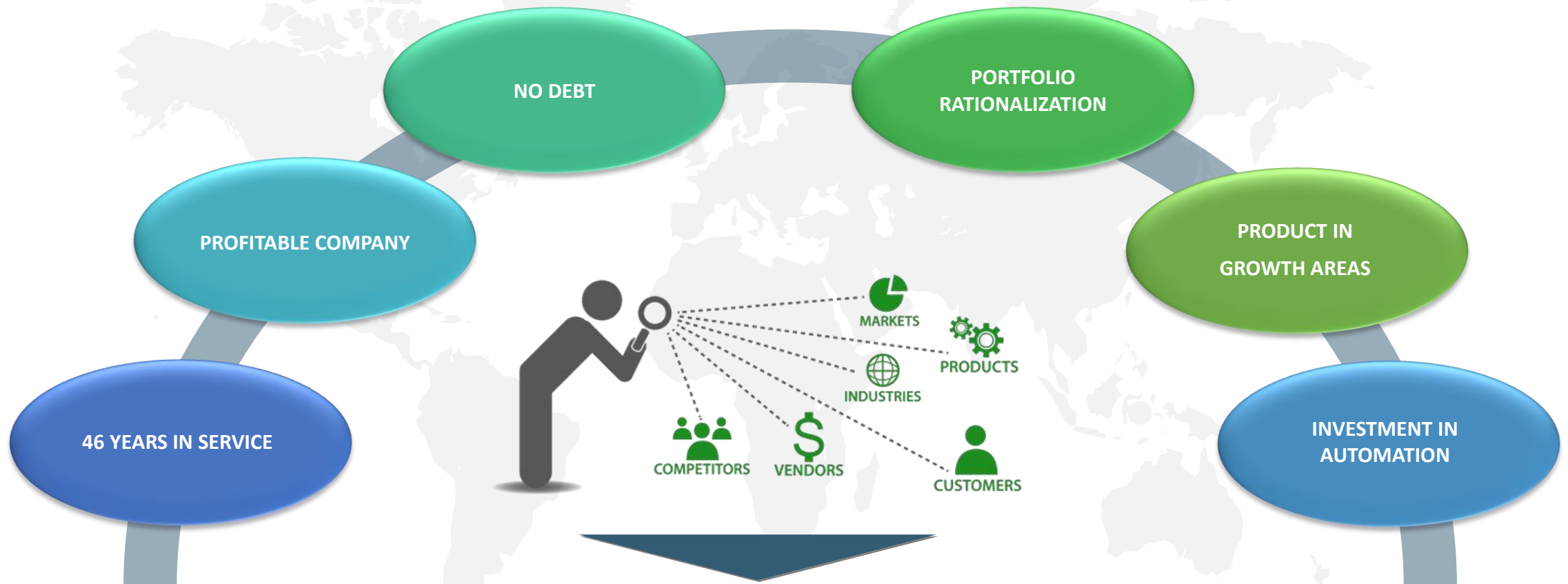
Management will start doing roadshows in different cities across the world from next year.





# BUILDING A COMPETITIVE ADVANTAGE

*“Present & near future looks very good for MPI. There is profitable growth and the company is growing faster than the industry average”  
Increased turnover guidance for 1<sup>st</sup> half of the year & MPI foresees to double the turnover in next 3-5 years*



**MALAYSIAN PACIFIC INDUSTRIES**



## SUMMARY

- ✓ MPI showed a record breaking performance and crossed US\$ 100M Revenue in a quarter for the first time
- ✓ Despite Trade war, Top Line increased by 2% in Q1 FY19 Vs Q4 FY18 and by 11% against last year's corresponding quarter
- ✓ PAT saw 22% growth in Q1 FY19 Vs Q1 FY18
- ✓ Increased turnover guidance for 1<sup>st</sup> half of FY19
- ✓ Increasing automation to drive higher quality, Industrial 4.0 is implemented and in execution
- ✓ Battling external challenges of Trade War
- ✓ Dynacraft's QFN lead-frame business outlook remains positive
- ✓ Net Cash (RM644M for investment & M&A)





**THANK YOU!**

