

Malaysian Pacific Industries Berhad Investors' Briefing

Q3 FY19

DIFFERENTIATION THROUGH INNOVATION



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

Differentiation
Thru Innovation





Q3 FY19 SUMMARY

REVENUE

Q3 Revenue at USD79.9M. First 3Quarters FY19 Vs corresponding 3Quarters FY18 down by **0.7% (US) & 0.6% (RM)**

PAT & EPS

Q3 PAT at RM 21.5M. Q3 FY19 EPS at 8.82c

CHALLENGES

Trade war is ongoing & customers are shifting business ahead to future quarters. **Carsem's pipeline is intact.**

DIVIDEND

2nd interim dividend of **17 sen.**

CASH

Net cash increased to RM 689M vs RM 677M of Q2 FY19

SEGMENTS

Automotive segment is strengthening; **Automotive (32%); Industrial (25%); Consumer (33%)**





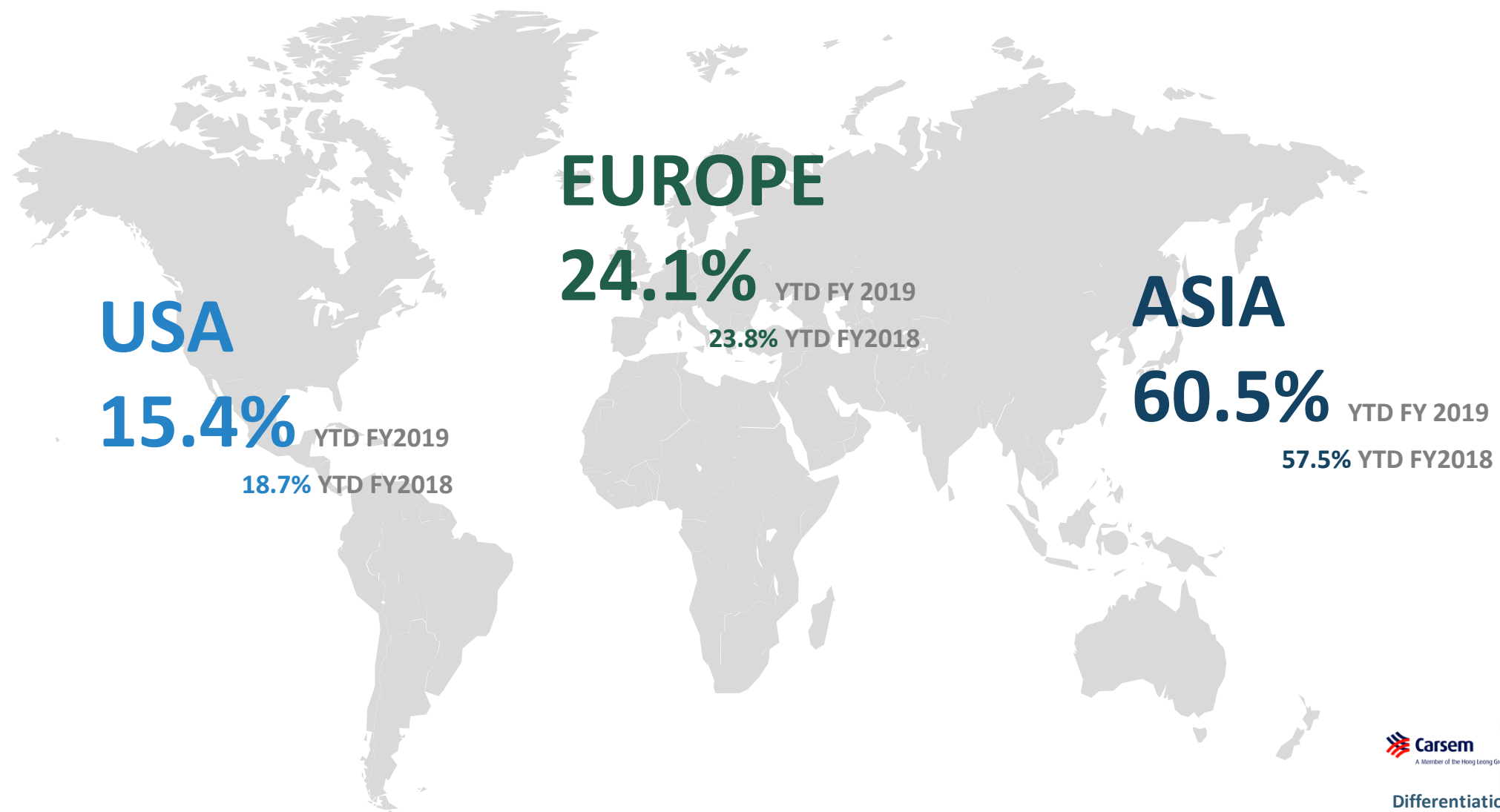
MPI GROUP RESULTS AT A GLANCE

	Q3 FY19	Q2 FY19	Q3 FY18	Q3 vs Q2	Q3 vs Q3	YTD FY19	YTD FY18	YoY
	RM mil	RM mil	RM mil	%	%	RM mil	RM mil	%
Revenue	330.1	398.2	366.3	-17%	-10%	1,142.0	1,149.2	-0.6%
PAT	21.5	49.6	31.7	-57%	-32%	124.3	124.3	0%
PATAMI	16.8	39.2	26.0	-57%	-35%	98.3	103.4	-5%
EPS (sen)	8.82	20.64	13.68	-57%	-36%	51.72	54.44	-5%
EBITDA %	21%	26%	23%			25%	25%	
Capex	42.6	49.1	56.2	-13%	-24%	170.2	146.2	16%
Dividend	0	20	0			20	20	
Net Cash	688.6	677.2	554.3			688.6	554.3	
EDR	100 : 0	100 : 0	100 : 0			100 : 0	100 : 0	
ROSF	1.4%	3.3%	2.3%			8.3%	9.2%	





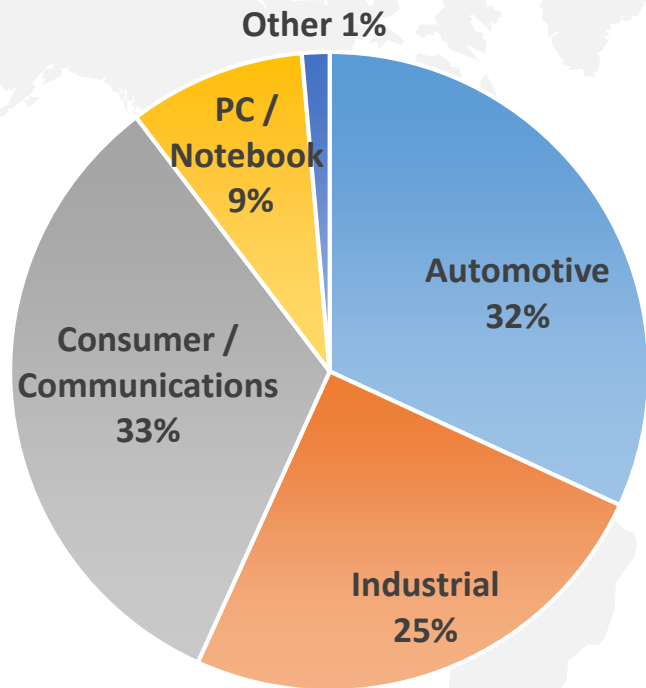
MPI GROUP – REVENUE BY GEOGRAPHICAL LOCATION OF CUSTOMERS



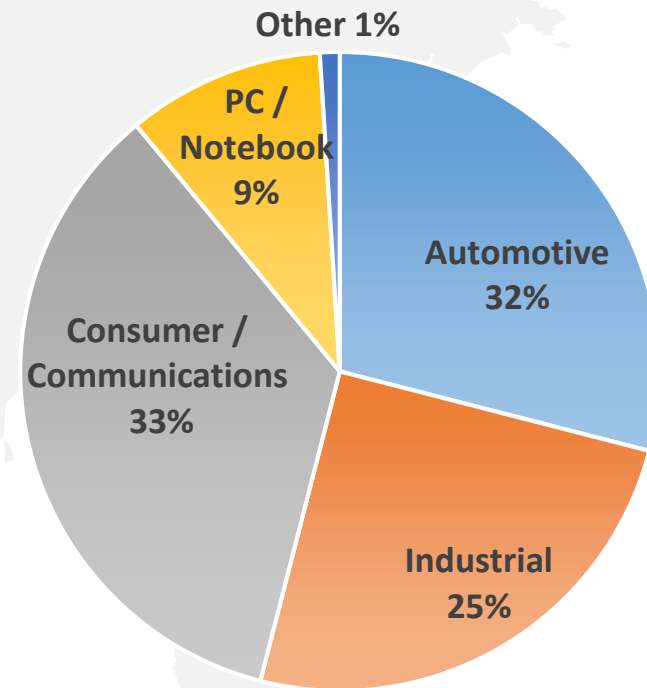


REVENUE BY END USER MARKET

REVENUE BY END USER MARKET Q3 FY19



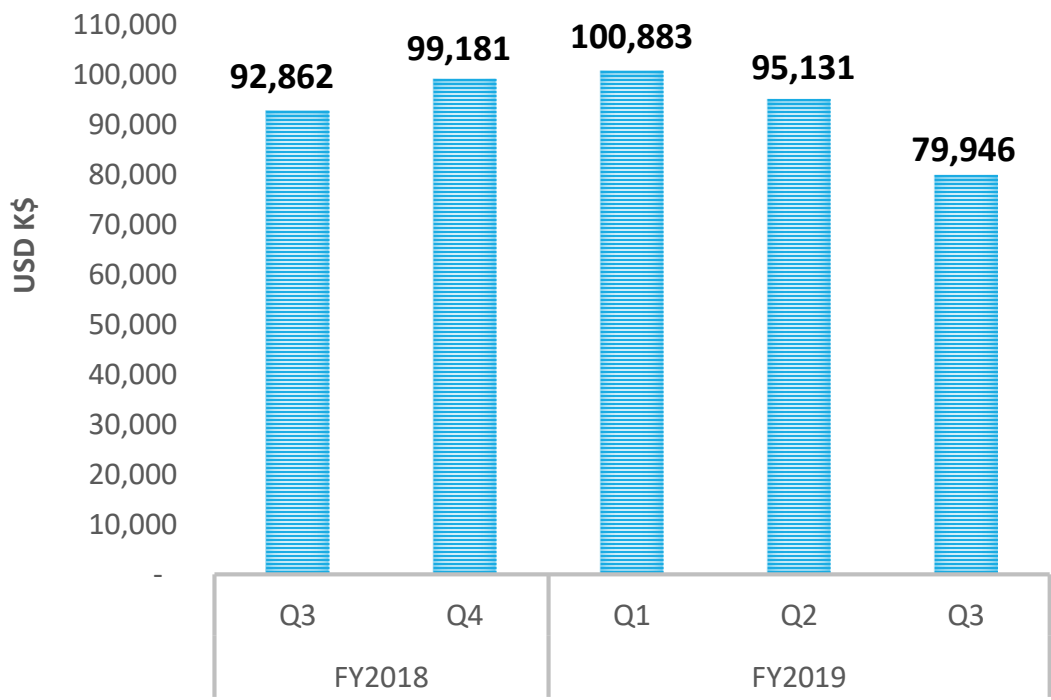
REVENUE BY END USER MARKET Q2 FY19



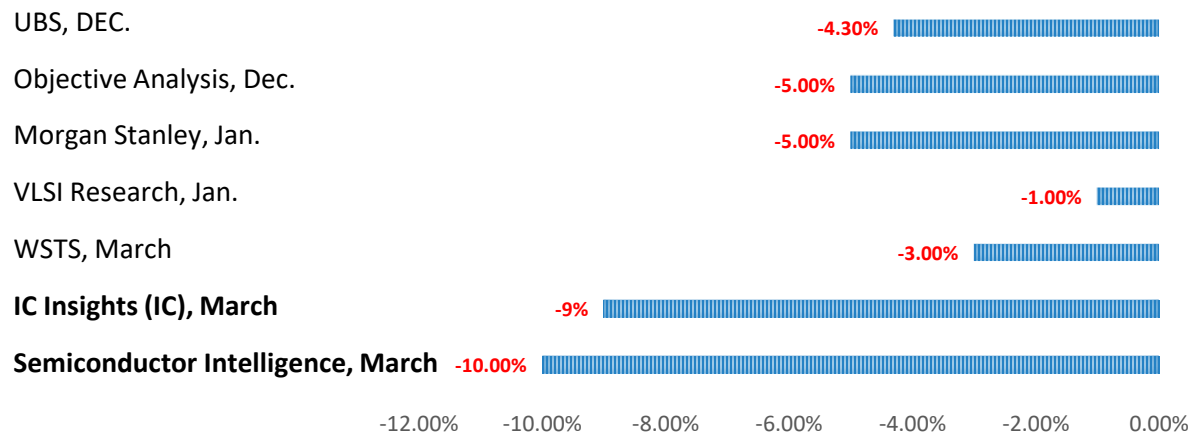


MPI GROUP – REVENUE

REVENUE (USD)



INDUSTRY OUTLOOK



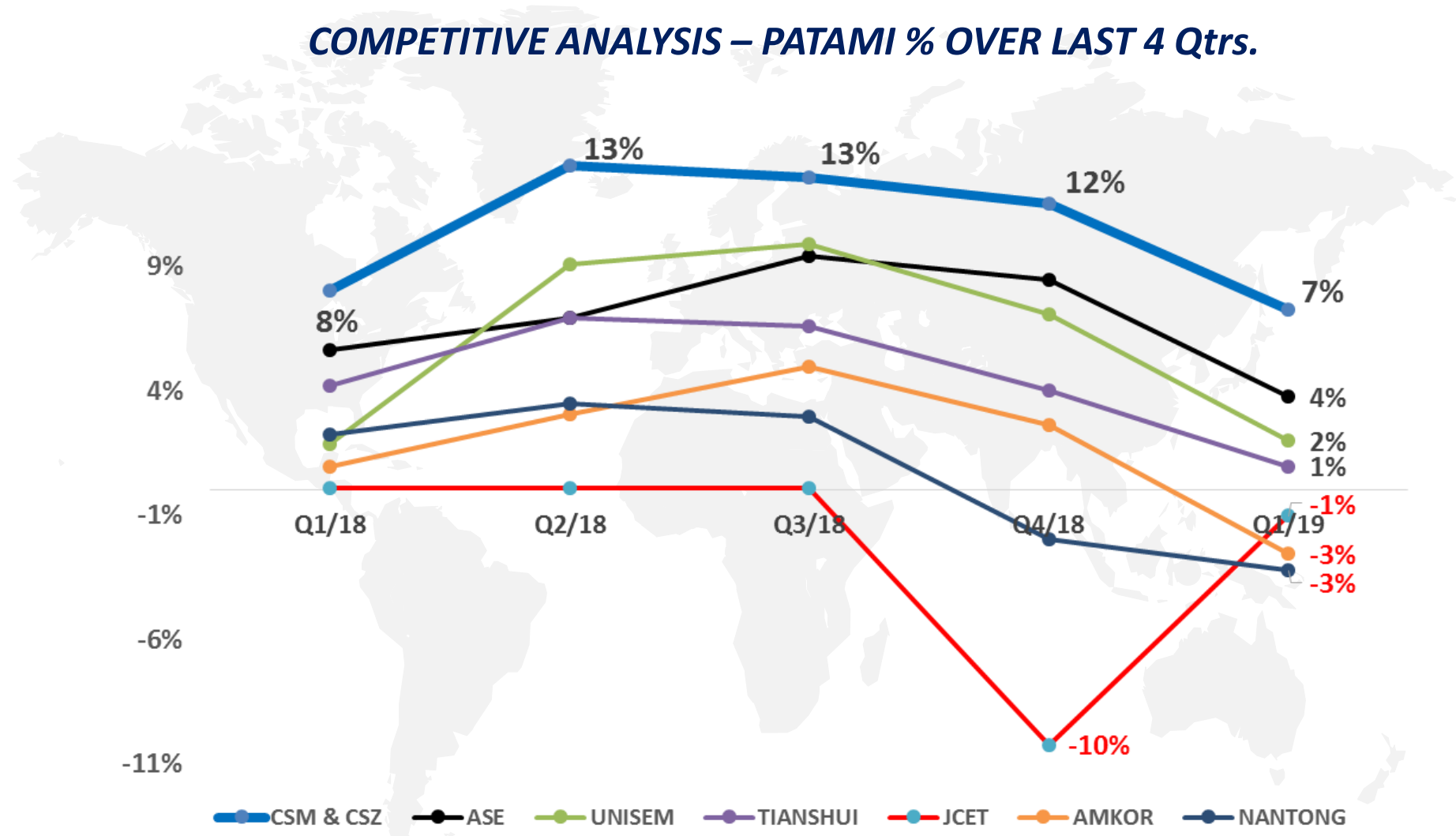
- The last time double digit % drop was in 2009, 10 years ago.
- According to Bloomberg, the global auto industry is likely in first recession since 2009.





COMPETITIVE ANALYSIS

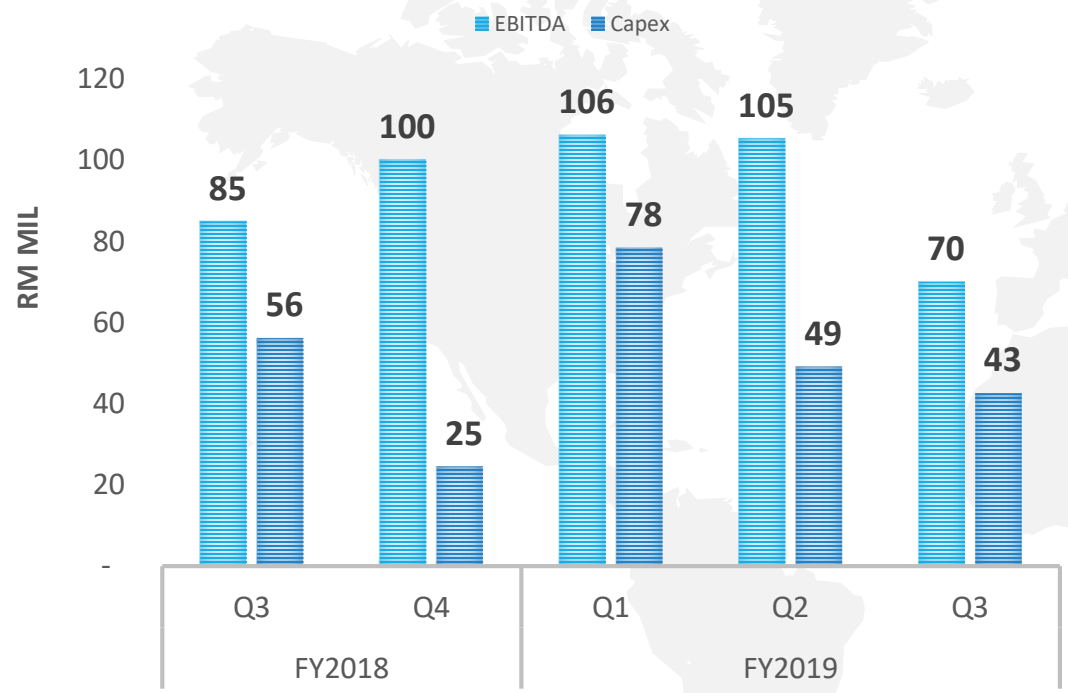
COMPETITIVE ANALYSIS – PATAMI % OVER LAST 4 Qtrs.



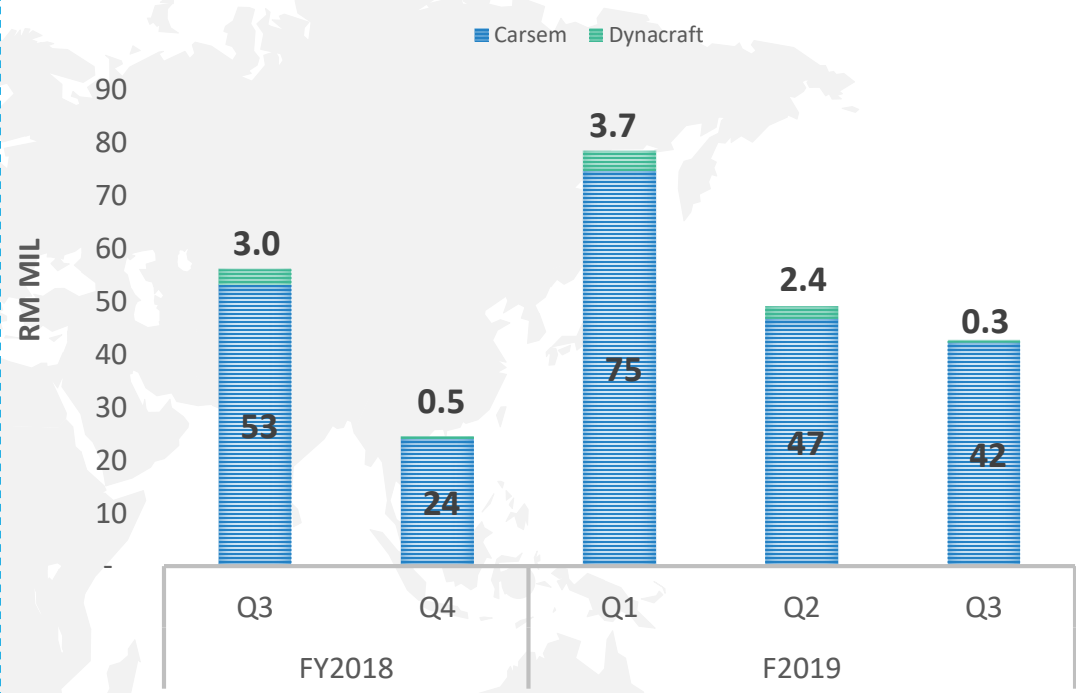


MPI GROUP – CAPEX

MPI EBITDA VS CAPEX

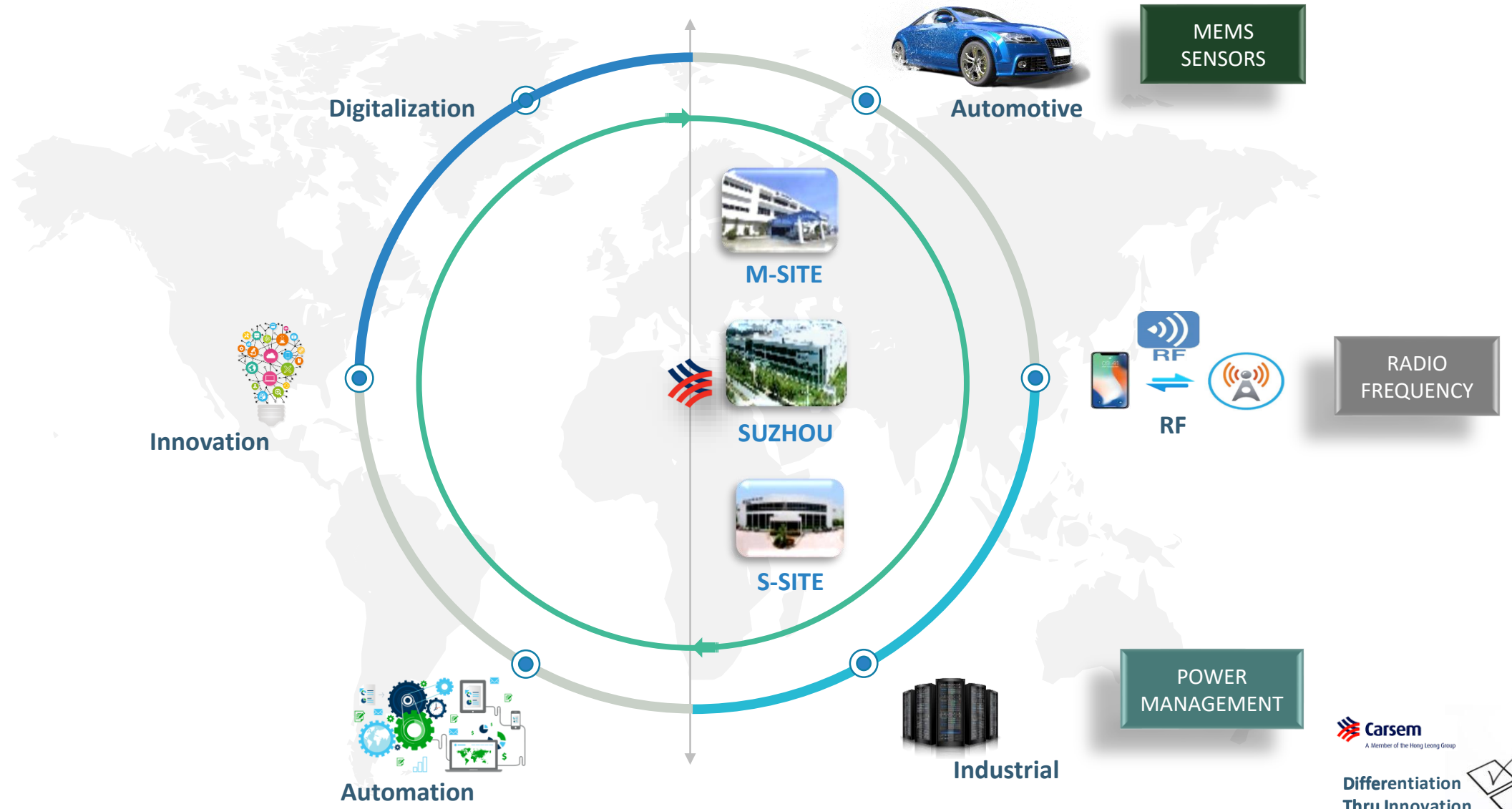


MPI CAPEX





CARSEM FOCUS AREAS WITH HUGE INVESTMENTS





MPI STRATEGY

Portfolio Transformation

Weeded out low margin products

Cost Downs

Anticipated the coming situation and started controlling costs

Innovative Products

Introduced new products in key segments :

- Automotive (Sensors)
- Servers

Investments

Invested in sensors, power, automotive & industrial.
Also investing heavily in automation





OUTLOOK 2019

BUSINESS OUTLOOK FOR FINANCIAL YEAR 2019 - 2020





SUMMARY

- ✓ **MPI stayed flat for the 1st 3 Qtrs in FY19 Vs same Qtrs FY18, despite the softening of worldwide semiconductor industry**
- ✓ **Automotive segment is strengthening and we are seeing positive traction**
- ✓ **Industrial 4.0 is implemented and in execution**
- ✓ **Increasing automation to drive higher quality**
- ✓ **Trade war is extreme, consumer & automotive seeing a double digit decline worldwide**
- ✓ **Net Cash (RM689M for investment & M&A), No debts**





THANK YOU!

