

News Release

Unisem Reports Revenue of RM311.9 million (approx. U\$\$75.2 million) and Net Profit of RM14.2 million (approx. U\$\$3.4 million) for Second Quarter 2019

Kuala Lumpur, 6 August 2019 – Unisem (M) Berhad today announced results for the second quarter ended 30 June 2019 (2Q19).

Unisem recorded a consolidated revenue of RM311.9 million (approx. US\$75.2 million) and net profit of RM14.2 million (approx. US\$3.4 million) for 2Q19, representing decline of 9.1 percent and 54.2 percent respectively against the corresponding quarter ended 30 June 2018 (2Q18).

For the six months period ended 30 June 2019 (1H19), the Group recorded revenue and net profit of RM615.1 million (approx. US\$149.3 million) and RM20.3 million (approx. US\$4.9 million) respectively. These represent decrease of 7.5 percent in revenue and 45.8 percent decline in net profit as compared to the same period a year ago (1H18).

The decrease in revenue and net profit was mainly attributable to lower sales volume. Net profit was further impacted by the lower gain on foreign exchange as compared to the same quarter a year ago. The decrease in net profit for the six months period ended 30 June 2019 was primarily attributable to the lower gross profit arising from decrease in revenue and recognition of deferred tax expense.

Group's earnings before interest, tax, depreciation and amortization (EBITDA) for 2Q19 came in at about RM61.4 million (approx. US\$14.8 million), EBITDA margin was about 19.7 percent. Equipment capacity utilization averaged at about 60.0 percent for the Group in 2Q19. Group's capital expenditure incurred in 2Q19 was about RM91.5 million (approx. US\$22.1 million), principally for purchase of equipment for advanced packaging and wafer bumping activities.

Commenting on the outlook of the Group, Mr. John Chia Sin Tet, the group managing director said, "We expect the uncertainties stemming from the global trade war to continue into the second half of the financial year."

About Unisem

Unisem is a global provider of semiconductor assembly and test (OSAT) services for many of the world's most successful electronics companies. We offer an integrated suite of packaging and test services such as wafer bumping, wafer probing, wafer grinding; a wide range of leadframe and substrate IC packaging; wafer level CSP; and RF,analog, digital, and mixed signal test. Our turnkey services include design, assembly, test, failure analysis, and electrical, mechanical, and thermal characterization and modeling. Unisem is an established MEMS OSAT with several years of experience in volume consumer and automotive production, in addition to a broad package portfolio covering multiple applications. The company has factory locations in Ipoh, Malaysia; Chengdu, People's Republic of China; and in Batam, Indonesia. Unisem is headquartered in Kuala Lumpur, Malaysia. For more information about the company, its products and services, please visit its website at www.unisemgroup.com