



News Release

Unisem Reports Revenue of RM316.3 million (approx. US\$76.0 million) and Net Loss of RM3.5 million (approx. US\$0.85 million) for Third Quarter 2019

Kuala Lumpur, 25 October 2019 – Unisem (M) Berhad today announced results for the third quarter ended 30 September 2019 (**3Q19**).

Unisem recorded a consolidated revenue of RM316.316 million (approx. US\$76.0 million) and net loss of RM3.539 million (approx. US\$0.85 million) for 3Q19, representing a decline in revenue of 10.8 percent and decline in net profit of 110.1 percent against the corresponding quarter ended 30 September 2018 (**3Q18**).

For the nine months period ended 30 September 2019 (**9m19**), the Group recorded revenue and net profit of RM931.373 million (approx. US\$225.3 million) and RM16.7 million (approx. US\$4.0 million) respectively. These represent decrease of 8.6 percent in revenue and 76.9 percent decline in net profit as compared to the same period a year ago (**9m18**).

The decrease in revenue was mainly attributable to lower sales volume. The net loss incurred for 3Q19 as well as the decrease in net profit for 9m19 was primarily attributable to net expenses incurred on severance and reversal of retirement benefits in PT Unisem, higher recognition of deferred tax expense mainly due to the reversal of retirement benefits in PT Unisem, and lower gain on foreign exchange as compared to 3Q18 and 9m18.

Group's earnings before interest, tax, depreciation and amortization (EBITDA) for 3Q19 came in at about RM51.798 million (approx. US\$12.4 million), EBITDA margin was about 16.4 percent. Equipment capacity utilization averaged at about 63 percent for the Group in 3Q19. Group's capital expenditure incurred in 3Q19 was about RM34.0 million (approx. US\$8.2 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 some further provisions and impairments in relation to the planned closure of operations at PT Unisem and that the performance of the Group to remain challenging for the remaining period to the end 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