



# Hi-P INTERNATIONAL LIMITED

Bringing value to our customers through quality & technology

[www.hi-p.com](http://www.hi-p.com)

## 2Q2014 Results Briefing

The Integrated

Electro-Mechanics

Solution Provider



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# 2Q2014 Overview

Mr. Yao Hsiao Tung  
Executive Chairman & CEO

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# Key Financial Highlights



(S\$m)	2Q14	2Q13	YOY % Chg	1Q14	QOQ % Chg
Revenue	212.3	285.0	(25.5)	178.9	18.6
Gross profit	13.9	28.4	(51.0)	3.4	313.2
Pretax (loss)/ profit (PBT)	(3.6)	12.6	n.m.	(12.3)	(70.9)
Tax credit/ (expense)	0.6	(1.7)	n.m.	0	n.m.
Net (loss)/ profit (PAT)	(3.0)	10.9	n.m.	(12.3)	(75.3)
EPS (S cts)	(0.37)	1.32	n.m.	(1.50)	(75.3)
NAV/Share (S cts)	68.85	73.69	(6.6)	70.18	(1.9)

Note: YOY and QOQ change is calculated based on figures in thousands

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# Key Financial Highlights (YOY)

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## 2Q2014 vs 2Q2013

Revenue decreased by 25.5%:

- ❑ Mainly due to lower sales volume from 2 key customers
- ❑ Partially offset by orders from new customers

Net loss in 2Q2014 mainly due to:

- ❑ Lower sales and loading
- ❑ Slower pace of decrease in labour costs
- ❑ Forex loss and net fair value loss on forward contracts in 2Q2014, whilst gains in 2Q2013

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# Capex Update

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- For 1H2014, CAPEX amounted to S\$22.6m.
- For FY2014, CAPEX is estimated to be around S\$115m.

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# Net Cash Position

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<b>Category</b>	<b>30 Jun 14 S\$ m</b>	<b>31 Dec 13 S\$ m</b>
<b>Net Cash</b>	<b>72.1</b>	<b>35.7</b>

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# Business Updates

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# Business Situation Update

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- Volatile market situation and pricing pressure
- Diversification of customer base and product segments
- Focus on execution and delivery for several new major projects
- Nantong plant construction has resumed, and production is targeted to gradually commence in 4Q2014
- Continue to focus on currency volatility management
- Financial position remains healthy

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# Earnings Outlook

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# Earnings Outlook

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- The Group expects lower revenue but higher profit in 3Q2014 as compared to 3Q2013.**
- The Group expects higher revenue in 2H2014 as compared to 2H2013. The Group also expects to be profitable in 2H2014.**
- The Group expects lower revenue but higher profit in FY2014 as compared to FY2013.**

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# Thank You

## Q & A

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Succeed Together...*