



Hi-P INTERNATIONAL LIMITED

Bringing value to our customers through quality & technology

www.hi-p.com

1Q2015 Results Briefing

The Integrated

Electro-Mechanics

Solution Provider



1Q2015 Overview

Mr. Yao Hsiao Tung
Executive Chairman & CEO

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Key Financial Highlights



(S\$m)	1Q15	1Q14	YOY % Chg	4Q14	QOQ % Chg
Revenue	279.8	178.9	56.4	314.4	(11.0)
Gross profit	4.4	3.4	31.2	29.6	(85.1)
Pretax (loss)/ profit (PBT)	(11.9)	(12.3)	(3.2)	18.1	n.m.
Tax (expense)/ credit	(1.9)	0.0	n.m.	(3.1)	(39.1)
Net (loss)/ profit (PAT)	(13.8)	(12.3)	12.4	15.0	n.m.
EPS (S cts)	(1.69)	(1.50)	12.7	1.83	n.m.
NAV/Share (S cts)	74.56	70.18	6.2	74.14	0.6

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

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Key Financial Highlights (YOY)



1Q2015 vs 1Q2014

Revenue increased by 56.4%, contributed by:

- ❑ ODM & other high component content assembly products
- ❑ Orders from new customers

Net loss due to:

- ❑ Startup costs for Nantong plant
- ❑ Labour and depreciation costs incurred for plant under renovation pending new projects ramp up in 2H2015
- ❑ Higher inventory write-off and provisions

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Capex Update



- For 1Q2015, CAPEX amounted to S\$50.3m.

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Net Debt Position



Category	31 Mar 15 S\$ m	31 Dec 14 S\$ m
Cash and Cash Equivalent & Short Term Deposits Pledged	147.9	213.1
Borrowings (incl. Finance Lease)	(213.3)	(215.3)
Net Debt	(65.4)	(2.2)
Net Gearing Ratio	10.7%	0.4%

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Business Updates

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Business Situation Update



- ❑ **New BU approach gained momentum in drawing business**
- ❑ **One existing major customer co-invested on equipment**
- ❑ **Trial run of Nantong plant commenced in 1Q2015 with mass production expected to commence progressively from 2Q2015**
- ❑ **Renovated existing plant in Shanghai for upcoming major plastic-related project in 2H2015**
- ❑ **Continue to tap talent to enhance capabilities to cope with upcoming projects**
- ❑ **Volatile market situation and pricing pressure continue to persist**

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Earnings Outlook

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Earnings Outlook



Barring any other unforeseen circumstances, the Group wishes to guide its performance as follows:

- ❑ The Group expects higher revenue in 2Q2015 as compared to 2Q2014. The Group expects to record a loss in 2Q2015.**

- ❑ The Group expects higher revenue in 2H2015 as compared to 1H2015. The Group expects to be profitable in 2H2015.**

- ❑ The Group expects higher revenue and profit in FY2015 as compared to FY2014.**

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Thank You

Q & A

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Succeed Together...*