

# Marketing report for hyflux ltd

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Huffily is a listed Company on the Singapore Exchange (SEX) . The company has a market capitalization almost U. S. \$ 500 Million (as of March 2009). Huffily employed more than 2, 400 employees in all over the world . Huffily was founded as Hydrophone(S) Pete Ltd by Ms Olivia Lump , Group CEO, President and Managing Director, in 1989. Recently in 2014, the company awarded distinction at the Global Water Awards by Global Water Intelligence, United Kingdom for Outstripping Desalination Plant.

Vision To be the leading company the world seeks for innovative and effective environmental solutions Mission To provide efficient and cost effective solutions to meet our clients' needs through innovation and technological advancement Values Boldness - Dare to dream, dare to do and dare to excel Entrepreneurship - Nurture the entrepreneurial spirit, embrace challenge and master change Satisfaction - Exceed internal and external customer satisfaction, take pride in work and deliver excellence Testimony - Be the face behind the brand, excel in business conduct and embrace best practices in corporate governance 2.

Milestones 1999 0 Start to develop and manufacture their own proprietary membranes and sale to plants and installed worldwide. 20010 Became the first water treatment company and listed in Singapore Stock Exchange (SEX). Designing and build the project can produce 24, 000 mm of recycled wastewater per day named, The Shelter New Water Plant, for Public Utilities Board of Singapore (PUB). Buildup the Singapore first seawater reverse osmosis (SORROW) for the Public Utilities Board of Singapore (PUB) to supply drinking water for the western part of Singapore.

Production capacity is 136380 mm that is the 10 percent of the whole Singapore daily consumption. 20040 Build the seawater reverse osmosis (SORROW) for Tannin Dagon District Government in China. Production capacity is 100, 000 mm (expandable to 150, 000 mm), that is the largest membrane-based seawater desalination facility in China. 20070 Launched the Huffily Water Trust (HAT), the first pure play global water business trust to be listed in Asia. HAT for investors seeking long-term stable source f income, have the opportunity to invest in water-related infrastructure assets. 0080 Won the bid for the world's largest seawater reverse osmosis (SORROW) in Magmata Algeria. That is expected to be completed in 2012 and will add 500, 000 mm/ day of water supply in Algeria. 20090 Huffily and Japan Bank for International Cooperation OBIS) signed a memorandum of understanding to determine which CUBIC will consider providing financing in Asia (including China and India) water projects Huffily and the MEAN( Middle East and North Africa) region involving Japanese equipment suppliers involvement or regional investors. 100 Huffily and Mitosis & Co. , Ltd. Signed a Joint venture agreement as Galaxy Springs Private Limited through a 50: 50 Joint venture company to invest in, develop and manage water projects in China 2011 0 Build the Singapore Largest SORROW plant, named The Outstripping Desalination Plant, daily capacity of 318, 500 mm. 2011 Huffily offers 6% per annum cumulative, non-convertible, non-voting, perpetual class A preference shares and this is the first non-financial company perpetual preference share issue in Singapore. 3.

Industry analysis Since the last century, water consumption in the past 50 years due to population Roth, industrialization and arbitration, almost double

the global water shortage has jumped six-fold. According to intelligence sources of global water resources, desalination market is expected to double in 10 years. As rising of crude oil prices, global warming and the energy crisis have led to high demand for energy and water technology industry in the next 3-5 years. Huffily has been used to enter the waste oil recycling business will expand from pure water to the energy industry in 2006.

This is a strategic move for the Huffily Group will enlarge its market to a larger, growing energy industry, already above its leading session in the fast-growing water treatment industry to make sure. The report said that Qatar has signed a series to build a 3.8 billion dollar stake in desalination and power plants by the Japanese and French companies trading news has confirmed the high demand for water and energy, especially in the Middle East. Government of Singapore Investment Corporation (GIC) acquired an 11% stake in a U. S. Energy company EAI.

This is one of the world's largest investment company, but from an investment point to prove the existence of potential substantial growth in the energy sector 4. Porter's Five Forces 4. 1 . Rivalry Among Competitor is (High) There are many international and local competitors are waiting to come into Singapore market. Considerable opposition are both Keeper & Sombrero entrenched in large enterprises, each with rich professional knowledge. High-growth industry. Required a lot of resources to go into this business such as equipment, research and development cost. Required High knowledge.

Cost disadvantage is Proprietary of Technology Products, Government grants and support. 4. 3. Thread of Existing Competitors (Low) Traditional water systems with less cost. Need to use more space and energy and there is no demand. 4. 4. Bargaining Power of Customer (Medium) In general, there are many companies with bidding process. Can specify the product easily. Trained to meet the needs of buyers and low price sensitivity. 4. 5. Bargaining Power of Supplier (Low) Industrial enterprises are a significant customer base for suppliers and integration with the previous version 5.

External and Internal Analysis To understand the company's internal strength and weakness the SOOT analysis will use and also its external opportunities and threads. 5. 1 . Strength Best strengths for Huffily is their CEO, Ms. Lump who started the business and operations in 1989. She established a small-scale company with capital of \$ 20, 000 ND only three staff, to be one of the world's fastest-growing technology-driven water treatment solutions company exist (Huffily Ltd. AN).

As a CEO Ms Lump gained some skills and knowledge of water chemistry, chemical, health and entrepreneurship, so she made effective strategic initiatives, resulting in the company's growth and success. Secondly, Huffily employed 2, 400 people worldwide, including more than 200 multi-disciplinary membrane experts, researchers and scientists (Huffily Ltd. , AN). When employees are a major asset for any company to increase, they are skilled, active and diverse more value. Even Huffily has all the advanced technology and equipment, which will be of no use (or unproductive) No person working behind it.

Huffily staff are passionate, talented, ambitious people who are willing to continue to promote possible (Huffily Ltd. , AN). Who take the initiative and promote employees are likely to increase the value of the company, its production compared to those who are forced to make their employees work. In most organizations in Asia, the effectiveness of this is the complementary characteristics to achieve, effectively employing the skills and capabilities to ensure the influx of well-trained and motivated employees and maintain balance measurements (Evangelic & Hon., 2002).

In addition, with a diverse workforce who are doing their professional duty contributed greatly to the company's productivity by employees who are from different backgrounds and ideas from the community given. Huffily has an award-winning water machinery and advanced technology to improve the quality of their popularity and reputation. This will encourage more customers to partners and / or purchased by Huffily also encourage more investors to invest in the company. 5. 2. Weaknesses High labor costs make the company has accumulated a significant increase in pirating costs.

To motivate employees, Huffily, has a financial incentives and training of staff. It is focused on employees, they do not look at the cost, the company rather than as an investment. In addition, the company has experienced a change in the cost of the exchange rate and operating capacity, but is included from the bank in particular, as well as high lending rates, thereby contributing to this problem. 5. 3. Opportunities In Singapore one of water agreements with Malaysia, expired in 2011 and the country do not renewed the contract (Chowder, 2009). So the government is supporting the

Huffily to growth and operate. Due to the fact that Huffily has PUB, as a customer, and has built four major desalination plant management in the PUB. PUB has become one of the largest customer of Huffily and company sustainable relationship with the government. Huffily in most countries is to go into, the government has been watching their favor and develop a good relationship. For example, construction of world's largest membrane desalination projects in Magmata, Algeria. (Huffily Ltd. , 2008). This is supported by the local government, so that they are supported by the National Bank of Algeria financially. . 4. Threats The press releases issued by the Huffily, one of its threat is unpredictable changes in the exchange rate (Huffily Ltd. , 2010). In which the country company operates may have accumulated losses because of unstable exchange rate. In sudden country the supply, for example, may be higher than in the budget due to the unstable exchange rate. In addition, overall operating costs, but also because of exchange rate fluctuations can be unpredictable. One month of operating budgets and costs can be reduced, and in the following month, the costs are just shot.

Another threat to the company's global operations is high unemployment rate (Huffily Ltd. 2010) in the U. S. And major EX. markets and if this continues, the market economy will be affected, especially on interest rates. With More and more people are unemployed, the GAP decline, leading to a decline in prices of goods and services, which in turn will affect the exchange rate, investors will be encouraged to invest in Huffily, but in a smaller amount, but then will pay higher dividend and return, if the economic recovery.

Market Segmentation There are two segments for Huffily in Singapore, municipal and industrial. For municipal segment, there involve water and fluid solution and also liquid separation Lana. Industrial segment is the manufacturing sector like a bio-technology and pharmacy related industry. 6. Financial Highlights Key Financial Data For year ended 31 December for 2009 to 2013 Net profit margin also called return on revenue ratio (ROR) is a tools to measurement of profitability that compare net income of a company to its revenue.

If ROR % is increase that means company is generating higher net profit with lesser expenses. According to financial report, Huffily made the highest profit on 2010. After 2010 profit is keep on dropping until 8. 2% on year 2013. Even though still making the profit, many have to think about to cut down the expenses as three years consecutive dropping of profit. 6. 2. Return on Equity (ROE) ROE, one of the most important ratio to measure how profitable a company is for the shareholders of the investment, is the amount of net profit gained as a percentage of shareholders equity.

Even Huffily gained the best percentage on year 2009 as 20. 5%, after the following years until 2013 it has been dropped to 4. 1%. So the differences is such a big amount. Management have to think about way to sought out this problem. 7. Conclusion has Jumped six-fold. Huffily has been used to enter the waste oil recycling business will expand from pure water to the energy industry in 2006. This is a strategic move to make sure for the Huffily Group and will expand its business to a larger, growing energy industry, already above its leading position in the fast-growing water treatment industry.