

Financial Statements and Related Announcement::Full Yearly Results

Issuer & Securities

Issuer/ Manager	VALUETRONICS HOLDINGS LIMITED
Securities	VALUETRONICS HOLDINGS LIMITED - BMG9316Y1084 - BN2
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Announcement Details

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Additional Details

For Financial Period Ended	31/03/2017
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VALUETRONICS HOLDINGS LIMITED

(Incorporated in Bermuda)
(Co. Reg. No: 38813)

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2017**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

- 1(a) A statement of profit or loss and statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated Income Statement for the year ended 31 March 2017

	The Group		
	Year ended 31 March		
	2017	2016	Change
	HK\$'000	HK\$'000	%
Revenue	2,274,911	1,952,896	16.5
Cost of sales	(1,933,191)	(1,655,432)	16.8
Gross profit	341,720	297,464	14.9
Selling and distribution expenses	(31,294)	(25,267)	23.9
Administrative expenses	(150,415)	(145,743)	3.2
Other income and gains, net	13,598	10,062	35.1
Operating profit	173,609	136,516	27.2
Finance costs	(646)	(824)	-21.6
Profit before income tax	172,963	135,692	27.5
Income tax expense	(18,896)	(15,254)	23.9
Profit for the year	154,067	120,438	27.9
Attributable to:			
Owners of the Company	154,067	120,438	27.9

Consolidated Statement of Comprehensive Income for the year ended 31 March 2017

	The Group		
	Year ended 31 March		
	2017	2016	Change
	HK\$'000	HK\$'000	%
Profit for the year	154,067	120,438	27.9
Other comprehensive loss, net of tax			
<i>Items that may be reclassified to profit or loss :</i>			
Currency translation differences*	(4,140)	(4,974)	-16.8
Total comprehensive income for the year	149,927	115,464	29.8
Attributable to :			
Owners of the Company	149,927	115,464	29.8

* Representing exchange differences on translating the Group's subsidiaries in the PRC arising from the depreciation of Renminbi

Note:

The Group's profit before tax is arrived at after charging/(crediting):

	The Group	
	Year ended 31 March	
	2017	2016
	HK\$'000	HK\$'000
Depreciation on property, plant and equipment	30,115	36,293
Amortisation on land use rights	455	483
Gain on disposals of property, plant and equipment	(559)	(659)
Interest income	(7,551)	(7,024)
Bank charges	646	824
Net exchange (gain)/loss	(2,493)	2,627
Net fair value gains on derivative financial instruments (Note 1)	-	(1,880)

Note 1: The Group entered into certain foreign exchange forward contracts to hedge against its exposure to Renminbi and Singapore Dollar during the last financial year. The net fair value gains on derivative financial instruments represented the unrealised gains on mark-to-market values of these contracts as at year end date and net exchange gain resulted from the settlement of these contracts during the last financial year.

1(b)(i) A statement of financial position (for the issuer and the group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position as at 31 March 2017

	The Group		The Company	
	At 31.3.2017	At 31.3.2016	At 31.3.2017	At 31.3.2016
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
ASSETS				
Non-current assets				
Land use rights	17,443	19,001	-	-
Property, plant and equipment	157,133	163,637	-	-
Interests in subsidiaries	-	-	83,330	83,330
Available-for-sale financial assets	17,142	71,904	-	-
Others	16,161	238	-	-
Total non-current assets	207,879	254,780	83,330	83,330
Current assets				
Inventories	291,864	198,682	-	-
Trade receivables	486,275	343,155	-	-
Other receivables and prepayments	29,296	9,468	328	426
Due from subsidiaries	-	-	366,439	332,775
Available-for-sale financial assets	54,762	10,606	-	-
Cash and cash equivalents	752,941	689,260	1,760	4,919
Total current assets	1,615,138	1,251,171	368,527	338,120
Total assets	1,823,017	1,505,951	451,857	421,450
EQUITY				
Share capital	38,439	38,014	38,439	38,014
Treasury shares	(8,268)	(1,980)	(8,268)	(1,980)
Reserves	908,403	821,265	421,232	385,134
Total equity	938,574	857,299	451,403	421,168
LIABILITIES				
Non-current liabilities				
Deferred income tax liabilities	3,294	3,023	-	-
Total non-current liabilities	3,294	3,023	-	-
Current liabilities				
Trade payables	484,708	286,209	-	-
Other payables and accruals	365,849	338,534	454	282
Current income tax liabilities	30,592	20,886	-	-
Total current liabilities	881,149	645,629	454	282
Total liabilities	884,443	648,652	454	282
Total equity and liabilities	1,823,017	1,505,951	451,857	421,450
Net current assets	733,989	605,542	368,073	337,838
Total assets less current liabilities	941,868	860,322	451,403	421,168

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As at 31 March 2017		As at 31 March 2016	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
Nil	Nil	Nil	Nil

Amount repayable after one year

As at 31 March 2017		As at 31 March 2016	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
Nil	Nil	Nil	Nil

Details of any collateral**None**

1(c) A statement of cash flows for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows for the year ended 31 March 2017

	The Group	
	Year ended 31 March	
	2017	2016
	HK\$'000	HK\$'000
Cash flows from operating activities		
Profit before income tax	172,963	135,692
Adjustments for :		
Amortisation on land use rights	455	483
Depreciation on property, plant and equipment	30,115	36,293
Gain on disposals of property, plant and equipment	(559)	(659)
Net fair value gains on derivative financial instruments	-	(1,880)
Share-based compensation	6,660	5,336
Interest income	(7,551)	(7,024)
	202,083	168,241
Changes in working capital:		
(Increase)/decrease in inventories	(93,182)	23,264
(Increase)/decrease in trade receivables	(143,120)	173,811
(Increase)/decrease in other receivables and prepayments	(22,139)	2,822
Increase/(decrease) in trade payables	198,499	(61,184)
Increase in other payables and accruals	27,315	2,740
Net cash generated from operations	169,456	309,694
Income tax paid	(8,920)	(20,421)
Net cash generated from operating activities	160,536	289,273
Cash flows from investing activities		
Purchase of property, plant and equipment	(43,786)	(26,887)
Proceeds from disposals of property, plant and equipment	2,419	1,389
Purchase of available-for-sale financial assets	-	(23,243)
Redemption of available-for-sale financial assets	10,606	7,590
Interests received	7,551	7,024
Net cash used in investing activities	(23,210)	(34,127)
Cash flows from financing activities		
Purchase of treasury shares	(6,288)	(1,980)
Dividends paid	(75,843)	(75,478)
Proceeds from shares issued in exercise of share options	6,819	5,414
Net cash used in financing activities	(75,312)	(72,044)
Net increase in cash and cash equivalents	62,014	183,102
Effect of foreign exchange rate changes	1,667	311
Cash and cash equivalents at beginning of the financial year	689,260	505,847
Cash and cash equivalents at end of the financial year	752,941	689,260

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statements of Changes in Equity for the year ended 31 March 2017

The Group	Attributable to the owners of the Company								
	Reserves								
	Share capital	Treasury shares	Share premium	Share-based compensation reserve	Currency translation reserve	Statutory reserve (Note)	Retained earnings	Total reserves	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 April 2016	38,014	(1,980)	120,522	7,829	18,359	3,063	671,492	821,265	857,299
Total comprehensive income for the year	-	-	-	-	(4,140)	-	154,067	149,927	149,927
Dividends paid	-	-	-	-	-	-	(75,843)	(75,843)	(75,843)
Issue of shares on exercise of share options	425	-	6,394	-	-	-	-	6,394	6,819
Transfer to share premium upon exercise of share options	-	-	3,875	(3,875)	-	-	-	-	-
Share-based compensation	-	-	-	6,660	-	-	-	6,660	6,660
Lapse of share options	-	-	-	(272)	-	-	272	-	-
Transfer to statutory reserve	-	-	-	-	-	364	(364)	-	-
Purchase of treasury shares	-	(6,288)	-	-	-	-	-	-	(6,288)
Changes in equity for the year	425	(6,288)	10,269	2,513	(4,140)	364	78,132	87,138	81,275
Balance at 31 March 2017	38,439	(8,268)	130,791	10,342	14,219	3,427	749,624	908,403	938,574
Balance at 1 April 2015	37,473	-	112,471	5,808	23,333	2,873	626,585	771,070	808,543
Total comprehensive income for the year	-	-	-	-	(4,974)	-	120,438	115,464	115,464
Dividends paid	-	-	-	-	-	-	(75,478)	(75,478)	(75,478)
Issue of shares on exercise of share options	541	-	4,873	-	-	-	-	4,873	5,414
Transfer to share premium upon exercise of share options	-	-	3,178	(3,178)	-	-	-	-	-
Share-based compensation	-	-	-	5,336	-	-	-	5,336	5,336
Lapse of share options	-	-	-	(137)	-	-	137	-	-
Transfer to statutory reserve	-	-	-	-	-	190	(190)	-	-
Purchase of treasury shares	-	(1,980)	-	-	-	-	-	-	(1,980)
Changes in equity for the year	541	(1,980)	8,051	2,021	(4,974)	190	44,907	50,195	48,756
Balance at 31 March 2016	38,014	(1,980)	120,522	7,829	18,359	3,063	671,492	821,265	857,299

The Company	Reserves							Total equity
	Share capital	Treasury Shares	Share premium	Share-based compensation reserve	Contributed surplus	Retained earnings	Total reserves	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 April 2016	38,014	(1,980)	120,522	7,829	67,239	189,544	385,134	421,168
Total comprehensive income for the year	-	-	-	-	-	98,887	98,887	98,887
Dividends paid	-	-	-	-	-	(75,843)	(75,843)	(75,843)
Issue of shares on exercise of share options	425	-	6,394	-	-	-	6,394	6,819
Transfer to share premium upon exercise of share options	-	-	3,875	(3,875)	-	-	-	-
Share-based compensation	-	-	-	6,660	-	-	6,660	6,660
Lapse of share options	-	-	-	(272)	-	272	-	-
Purchase of treasury shares	-	(6,288)	-	-	-	-	-	(6,288)
Changes in equity for the year	425	(6,288)	10,269	2,513	-	23,316	36,098	30,235
Balance at 31 March 2017	38,439	(8,268)	130,791	10,342	67,239	212,860	421,232	451,403
Balance at 1 April 2015	37,473	-	112,471	5,808	67,239	148,562	334,080	371,553
Total comprehensive income for the year	-	-	-	-	-	116,323	116,323	116,323
Dividends paid	-	-	-	-	-	(75,478)	(75,478)	(75,478)
Issue of shares on exercise of share options	541	-	4,873	-	-	-	4,873	5,414
Transfer to share premium upon exercise of share options	-	-	3,178	(3,178)	-	-	-	-
Share-based compensation	-	-	-	5,336	-	-	5,336	5,336
Lapse of share options	-	-	-	(137)	-	137	-	-
Purchase of treasury shares	-	(1,980)	-	-	-	-	-	(1,980)
Changes in equity for the year	541	(1,980)	8,051	2,021	-	40,982	51,054	49,615
Balance at 31 March 2016	38,014	(1,980)	120,522	7,829	67,239	189,544	385,134	421,168

Note: In accordance with the relevant PRC regulations, the subsidiaries of the Group established in the PRC are required to transfer a certain percentage of the profit after tax, if any, to a statutory reserve. Subject to certain restrictions as set out in the relevant PRC regulations, the statutory reserve may be used to offset the accumulated losses, if any, of the subsidiaries.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, repurchase of shares, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.

State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

SHARE CAPITAL

As at 31 March 2017, the number of ordinary shares in issue was 384,388,750 of which 3,039,800 were held by the Company as treasury shares. The share capital was HK\$38.4 million.

As at 31 March 2016, the number of ordinary shares in issue was 380,138,750 of which 925,400 were held by the Company as treasury shares. The share capital was HK\$38.0 million.

SHARE OPTIONS

As at 31 March 2017, the Company has the following outstanding share options:

Employee Share Option Scheme	Exercise Price	Balance as at 31.3.2016	Additions	Share options exercised	Lapsed	Balance as at 31.3.2017
(a) Incentive Options (Note 1)	S\$0.162	2,200,000	-	(2,200,000)	-	-
	S\$0.406	5,850,000	-	(2,050,000)	(100,000)	3,700,000
	S\$0.295	6,500,000	-	-	(200,000)	6,300,000
	S\$0.417	-	3,575,000	-	(125,000)	3,450,000
(b) Market Options (Note 2)	S\$0.521	-	2,225,000	-	(50,000)	2,175,000
Total		14,550,000	5,800,000	(4,250,000)	(475,000)	15,625,000

As at 31 March 2016, the Company has the following outstanding share options:

Employee Share Option Scheme	Exercise Price	Balance as at 31.3.2015	Additions	Share options exercised	Lapsed	Balance as at 31.3.2016
Incentive Options (Note 1)	S\$0.174	462,500	-	(462,500)	-	-
	S\$0.201	2,200,000	-	(2,200,000)	-	-
	S\$0.162	5,050,000	-	(2,750,000)	(100,000)	2,200,000
	S\$0.406	6,000,000	-	-	(150,000)	5,850,000
	S\$0.295	-	6,500,000	-	-	6,500,000
Total		13,712,500	6,500,000	(5,412,500)	(250,000)	14,550,000

Notes:

- (1) The Incentive Options were issued at a discount of not more than 20% to the average of the last dealt prices on the Official List of the SGX-ST for the five consecutive Market Days immediately preceding the date of grant of the respective Options.
- (2) The Market Options were issued at the market price which was equal to the average of the last dealt prices on the Official List of the SGX-ST for the five consecutive Market Days immediately preceding the date of grant of the respective Options.

PERFORMANCE SHARE PLAN

The Company has no outstanding performance shares as at 31 March 2017 and 2016.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Total number of issued shares was 384,388,750 and 380,138,750 as at 31 March 2017 and 2016 respectively.

Total number of treasury shares was 3,039,800 and 925,400 as at 31 March 2017 and 2016 respectively.

Total number of issued shares (excluding treasury shares) was 381,348,950 and 379,213,350 as at 31 March 2017 and 2016 respectively.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

During the current financial year ended as at 31 March 2017, the Company has purchased total of 2,114,400 treasury shares (Last financial year: 925,400).

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited annual financial statements for the year ended 31 March 2016. The adoption of the new and revised IFRSs, which are effective for the financial period beginning on 1 April 2016, did not result in significant changes to the Group's accounting policies or have any material impact on the Group's and the Company's financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The calculations of basic and diluted earnings per share for the year ended 31 March 2016 are restated retrospectively as a result of the bonus issue.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	The Group		
	Year ended 31 March 2017	Year ended 31 March 2016 (as restated)	Year ended 31 March 2016 (as previously reported)
Earnings per ordinary share based on the profit for the year (a) Based on weighted average number of ordinary shares on issue; and (b) on a fully diluted basis	HK 36.8 cents HK 36.5 cents	HK 29.0 cents HK 28.8 cents	HK 31.9 cents HK 31.7 cents
Number of ordinary shares in issue (excluding treasury shares)			
Weighted average number of ordinary shares for the purpose of basic earnings per share	418,695,294	415,841,919	378,038,108
Effect of potentially dilutive ordinary shares – Share options	3,459,823	2,113,932	1,921,756
Weighted average number of ordinary shares for the purpose of diluted earnings per share	422,155,117	417,955,851	379,959,864

Note: The Company proposed to issue new ordinary shares as a bonus of par value HK\$0.1 each, on the basis of one new share for every ten existing shares (including treasury shares) held by the shareholders of the Company and credited as fully paid at par by way of capitalisation standing to the credit of the share premium account of the Company. The bonus issue was approved by the Company's shareholders on 22 May 2017.

The calculations of basic and diluted earnings per share for the year ended 31 March 2017 presented above are based on the new numbers of shares. The calculations of basic and diluted earnings per share for the year ended 31 March 2016 are also restated retrospectively as a result of the bonus issue mentioned above.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year.

	The Group		The Company	
	31.3.2017	31.3.2016	31.3.2017	31.3.2016
	HK dollar	HK dollar	HK dollar	HK dollar
Net asset value per ordinary share based on issued share capital excluding treasury shares at the end of the year:	2.5	2.3	1.2	1.1
Number of ordinary shares in issue excluding treasury shares	381,348,950	379,213,350	381,348,950	379,213,350

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Valuetronics is an Electronic Manufacturing Service (“EMS”) provider, which focuses on the design and development of products that meet the ever-changing customers' needs. We are the preferred choice of some successful global companies involved in consumer electronics as well as industrial and commercial electronics products, with core competencies ranging

from tool fabrication, injection moulding, metal stamping, machining, surface mount technology ("SMT") and finished product assembly on full turnkey basis.

The Group classified its EMS business into 2 reportable segments, namely consumer electronics products ("Consumer Electronics") and industrial and commercial electronics products ("Industrial and Commercial").

Review – Full year results ended 31 March 2017 ("FY2017") vs Full year results ended 31 March 2016 ("FY2016")

Revenue

Revenue increased by 16.5% or HK\$322.0 million from HK\$1,952.9 million in FY2016 to HK\$2,274.9 million in FY2017.

Industrial and Commercial Electronics revenue increased by 14.1% to HK\$1,287.8 million (FY2016: HK\$1,128.3 million). Such increase was mainly contributed by the increase in demand from some of our Industrial and Commercial Electronics customers.

Consumer Electronics revenue increased by 19.7% to HK\$987.1 million (FY2016: HK\$824.6 million). Despite the negative impact from the exit from the mass market LED light bulb business in the third quarter of last financial year, Consumer Electronics revenue continued the growth in the current year with the introduction of new products, smart LED lighting products with Internet-of-Things features.

Gross profit and gross profit margin

Gross profit increased by 14.9% to HK\$341.7 million and gross profit margin remained stable at 15.0% (FY2016: 15.2%).

Other income and gains, net

Other income increased by 35.1% to HK\$13.6 million. Such increase was mainly due to the increase in interest income, and decrease in net exchange losses.

Selling and distribution expenses

Selling and distribution expenses increased by 23.9% to HK\$31.3 million (FY2016: HK\$25.3 million). During the last financial year, the Group recorded write-back of provision for sales returns and warranty amounted to HK\$6.3 million.

Administrative expenses

Administrative expenses increased slightly by 3.2% to HK\$150.4 million. Such increase was in line with the inflation.

Profit for the year

As a result of the above, profit for the year increased by 27.9% to HK\$154.1 million.

Financial position and cash flows

As at 31 March 2017, the Group had net current assets of HK\$734.0 million (31 March 2016: HK\$605.5 million), total assets of HK\$1,823.0 million (31 March 2016: HK\$1,506.0 million) and shareholders' funds of HK\$938.6 million (31 March 2016: HK\$857.3 million).

The Group's trade receivables increased by HK\$143.1 million from HK\$343.2 million as at 31 March 2016 to HK\$486.3 million as at 31 March 2017. The Group's trade payables increased by HK\$198.5 million from HK\$286.2 million as at 31 March 2016 to HK\$484.7 million as at 31 March 2017. The Group's inventories increased by HK\$93.2 million from HK\$198.7 million as at 31 March 2016 to HK\$291.9 million as at 31 March 2017.

The working capital of the Group as at 31 March 2017, which is the sum of trade receivables and inventories less trade payables, was HK\$293.5 million (31 March 2016: HK\$255.7 million). The increase in net working capital, reflecting the movement in trade receivables, inventories and trade payables, was in line with the revenue growth during the year.

The Group had no bank borrowings as at 31 March 2017 (31 March 2016: Nil).

With the strong free cash flow generated by the Group, cash and cash equivalents increased from HK\$689.3 million as at 31 March 2016 to HK\$752.9 million as at 31 March 2017. Over 96% of its cash and cash equivalents were placed in reputable financial institutions in Hong Kong. For the remaining balance, mainly in the PRC, the cash and cash equivalents were placed in equivalent reputable financial institutions. The cash and cash equivalents are audited by the Group's auditors.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

With strong performance across all segments, Valuetronics has returned to revenue growth in FY2017. Net profit attributable to shareholders rose 27.9%.

CE segment resumed revenue growth after the exit of mass market LED light bulb in FY2016. Growth came from a portfolio of products with consumer applications as well as new revenue stream from smart lighting products. The Group has refined its product portfolio from traditional mass market LED light bulb to smart LED lighting products with Internet-of-Things ("IOT") features. We remain optimistic on the growth prospects of the smart LED lighting product as consumers starting to adopt personal wireless lighting system for their home.

ICE segment continued its growth in FY2017, the fourth consecutive year of double digital growth, which was mainly driven by connectivity modules used in automotive industry. Valuetronics acquired its first customer in the automotive industry in FY2016 which in turn started supplying these in-car connectivity modules to one of their automakers. The Group is currently undergoing qualification by another automaker of this customer and we expect to obtain their approval by late FY2018.

The smart lighting in CE segment and the in-car connectivity modules in ICE segment are examples of increased adoption of mobile connectivity in day-to-day applications, in tandem with the global trend towards IOT. Moving forward, Valuetronics will ride on the opportunities in the confluence of technology under the IOT in expanding our products. We will continue to strive for profitability growth and operational excellence to enhance shareholders value.

Like most manufacturers, we are operating in an uncertain macro-economic environment. We remain mindful of the impact on our overall business environment; in particular we are vulnerable to fluctuations to raw material price and lead time in procurement.

Barring unforeseen circumstances, the directors expect the Group to remain profitable in the coming financial year.

11. Dividend**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Final	Special
Dividend Type	Cash	Cash
Dividend Amount per Share (in HK cents)	HK 15 cents per ordinary share	HK 5 cents per ordinary share
Tax Rate	Not applicable	Not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	Final	Special
Dividend Type	Cash	Cash
Dividend Amount per Share (in HK cents)	HK 13 cents per ordinary share	HK 7 cents per ordinary share
Tax Rate	Not applicable	Not applicable

(c) Date payable

To be announced later.

(d) Books closure date

To be announced later.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**(a) Business segments**

The Group has two reportable segments as follows:

Consumer – consumer electronics

Industrial – industrial and commercial electronics

Year ended 31 March 2017	Consumer	Industrial	Total
	HK\$'000	HK\$'000	HK\$'000
Segment revenue	987,089	1,287,822	2,274,911
Segment profit	100,266	227,431	327,697
			(173,630)
Unallocated corporate expenses			
Profit for the year			154,067

Year ended 31 March 2016	Consumer	Industrial	Total
	HK\$'000	HK\$'000	HK\$'000
Segment revenue	824,639	1,128,257	1,952,896
Segment profit	92,817	192,617	285,434
Unallocated corporate expenses			(164,996)
Profit for the year			120,438

(b) Geographical segments

Revenue of geographical segments of principal markets are analyzed by shipment destination.

	Year ended 31 March 2017	Year ended 31 March 2016
	HK\$'000	HK\$'000
United States of America	1,047,630	1,002,578
People's Republic of China	670,995	548,374
Hong Kong	175,641	110,122
Poland	113,262	75,622
Canada	29,521	52,842
Netherlands	21,035	21,055
Other countries	216,827	142,303
Total	2,274,911	1,952,896

14. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to item 8 above.

15. **A breakdown of sales.**

	Year ended 31 March 2017	Year ended 31 March 2016	Change %
	HK\$'000	HK\$'000	
(a) Sales from operations reported for first half year	1,051,177	1,076,577	-2.4
(b) Operating profit after tax reported for first half year	67,644	65,687	3.0
(c) Sales from operations reported for second half year	1,223,734	876,319	39.6
(d) Operating profit after tax reported for second half year	86,423	54,751	57.8

16. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	Year ended 31 March 2017	Year ended 31 March 2016
	HK\$'000	HK\$'000
Ordinary	84,100	75,843
Preference	N/A	N/A
Total:	84,100	75,843

- 17. If the Group has obtained a general mandate from shareholders for interested person transactions (“IPTs”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If not IPT mandate has been obtained, a statement to that effect.**

The Company does not have a Shareholders' Mandate for IPTs.

- 18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the prescribed format. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative to a director, chief executive officer or substantial shareholder of the Company.

- 19. Confirmation By the Company Pursuant to Rule 720(1) of the Listing Rules of Singapore Exchange Securities Trading Limited**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers pursuant to Rule 720(1) of the Listing Rules of the SGX-ST.

BY ORDER OF THE BOARD

Tse Chong Hing

Chairman and Managing Director

25 May 2017