

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::HALF 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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Financial Statements and Related Announcement

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Tse Chong Hing

Designation

Chairman and Managing Director

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

PLEASE SEE ATTACHED:

Half Year Financial Statements and Dividend Announcement for the Six Months Ended 30 September 2020

Additional Details

For Financial Period Ended

30/09/2020

Attachments

[VHL-Results 1HFY2021.pdf](#)

Total size = 151K MB

VALUETRONICS HOLDINGS LIMITED

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

HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF 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 period ended 30 September 2020

	The Group		
	6 months ended 30 September		
	2020	2019	Change
	HK\$'000	HK\$'000	%
Revenue	1,094,917	1,367,101	-19.9
Cost of sales	(909,002)	(1,161,167)	-21.7
Gross profit	185,915	205,934	-9.7
Selling and distribution expenses	(13,645)	(14,913)	-8.5
Administrative expenses	(79,721)	(87,314)	-8.7
Other income and gains, net	11,416	13,739	-16.9
Operating profit	103,965	117,446	-11.5
Finance costs	(339)	(433)	-21.7
Profit before income tax	103,626	117,013	-11.4
Income tax expense	(12,134)	(12,919)	-6.1
Profit for the period	91,492	104,094	-12.1
Attributable to:			
Owners of the Company	91,492	104,094	-12.1

Consolidated Statement of Comprehensive Income for the period ended 30 September 2020

	The Group		
	6 months ended 30 September		
	2020	2019	Change
	HK\$'000	HK\$'000	%
Profit for the period	91,492	104,094	-12.1
Other comprehensive income / (expense), net of tax:			
<i>Items that may be reclassified to profit or loss:</i>			
Currency translation differences*	3,478	(4,868)	NM
Total comprehensive income for the period	94,970	99,226	-4.3
Attributable to:			
Owners of the Company	94,970	99,226	-4.3

* Representing exchange differences on translating the Group's subsidiaries in the PRC and Vietnam.

Note:

NM: Not meaningful

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

	The Group	
	6 months ended 30 September	
	2020	2019
	HK\$'000	HK\$'000
Depreciation on property, plant and equipment	27,605	25,582
Amortisation of land use rights	-	221
Amortisation on right-of-use assets	1,974	-
Loss on disposals of property, plant and equipment	335	107
Interest income	(4,289)	(11,418)
Finance costs	339	433
Net exchange gains	(769)	(79)
Reversal of impairment loss recognised in respect of flash floods that occurred on 17 September 2018 at the Danshui Plant	(1,634)	-

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 30 September 2020

	The Group		The Company	
	At 30.9.2020	At 31.3.2020	At 30.9.2020	At 31.3.2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	207,802	201,102	-	-
Right-of-use assets	49,456	51,248	-	-
Interests in subsidiaries	-	-	83,330	83,330
Financial assets at fair value	22,600	21,800	-	-
Others	59,585	63,537	-	-
Total non-current assets	339,443	337,687	83,330	83,330
Current assets				
Inventories	210,215	227,927	-	-
Trade receivables	513,456	326,388	-	-
Other receivables and prepayments	24,735	29,734	271	361
Due from subsidiaries	-	-	362,680	421,972
Financial assets at fair value	-	38,630	-	-
Cash and cash equivalents	1,132,326	1,053,096	1,404	551
Total current assets	1,880,732	1,675,775	364,355	422,884
Total assets	2,220,175	2,013,462	447,685	506,214
EQUITY				
Share capital	43,563	43,563	43,563	43,563
Treasury shares	(2,272)	(2,272)	(2,272)	(2,272)
Reserves	1,226,702	1,190,311	406,056	464,494
Total equity	1,267,993	1,231,602	447,347	505,785
LIABILITIES				
Non-current liabilities				
Lease liabilities	341	1,010	-	-
Deferred income tax liabilities	7,518	7,518	-	-
Total non-current liabilities	7,859	8,528	-	-
Current liabilities				
Trade payables	433,564	291,234	-	-
Other payables and accruals	422,332	394,576	338	429
Contract liabilities	34,101	41,847	-	-
Lease liabilities	1,323	1,292	-	-
Current income tax liabilities	53,003	44,383	-	-
Total current liabilities	944,323	773,332	338	429
Total liabilities	952,182	781,860	338	429
Total equity and liabilities	2,220,175	2,013,462	447,685	506,214
Net current assets	936,409	902,443	364,017	422,455
Total assets less current liabilities	1,275,852	1,240,130	447,347	505,785

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

As at 30 September 2020		As at 31 March 2020	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
Nil	Nil	Nil	Nil

Amount repayable after one year

As at 30 September 2020		As at 31 March 2020	
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 period ended 30 September 2020

	The Group	
	6 months ended 30 September	
	2020	2019
	HK\$'000	HK\$'000
Cash flows from operating activities		
Profit before income tax	103,626	117,013
Adjustments for :		
Amortisation of land use rights	-	221
Amortisation of the right-of-use assets	1,974	-
Depreciation on property, plant and equipment	27,605	25,582
Loss on disposals of property, plant and equipment	335	107
Share-based compensation	2,321	2,170
Interest income, net	(4,241)	(11,341)
	131,620	133,752
Changes in working capital:		
Inventories	17,712	87,727
Trade receivables	(187,068)	(123,108)
Other receivables and prepayments	8,852	(2,323)
Trade payables	142,330	55,996
Other payables and accruals and contract liabilities	21,620	39,835
Net cash generated from operations	135,066	191,879
Income tax paid	(3,514)	(3,919)
Interest elements of lease payments	(48)	(77)
Net cash generated from operating activities	131,504	187,883
Cash flows from investing activities		
Purchase of property, plant and equipment	(34,965)	(18,994)
Proceeds from disposals of property, plant and equipment	547	15
Redemption of financial assets at fair value	38,630	-
Interest received	4,289	11,418
Net cash generated from / (used in) investing activities	8,501	(7,561)
Cash flows from financing activities		
Dividend paid	(60,900)	(86,676)
Proceeds from shares issued in exercise of share options	-	3,491
Principal elements of lease payments	(638)	(584)
Net cash used in financing activities	(61,538)	(83,769)
Net increase in cash and cash equivalents	78,467	96,553
Effect of foreign exchange rate changes	763	1,282
Cash and cash equivalents at beginning of the period	1,053,096	930,445
Cash and cash equivalents at end of the period	1,132,326	1,028,280

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 period ended 30 September 2020

The Group	Attributable to the owners of the Company									
	Reserves							Retained earnings	Total reserves	Total equity
	Share capital	Treasury share	Share premium	Share-based payment reserve	Currency translation reserve	Statutory reserve (Note)				
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Balance at 1 April 2020	43,563	(2,272)	163,918	9,116	14,747	4,818	997,712	1,190,311	1,231,602	
Total comprehensive income for the period	-	-	-	-	3,478	-	91,492	94,970	94,970	
Dividends paid	-	-	-	-	-	-	(60,900)	(60,900)	(60,900)	
Share-based compensation	-	-	-	2,321	-	-	-	2,321	2,321	
Changes in equity for the period	-	-	-	2,321	3,478	-	30,592	36,391	36,391	
Balance at 30 September 2020	43,563	(2,272)	163,918	11,437	18,225	4,818	1,028,304	1,226,702	1,267,993	
Balance at 1 April 2019	43,401	(2,272)	158,916	6,418	16,455	4,523	931,841	1,118,153	1,159,282	
Total comprehensive income for the period	-	-	-	-	(4,868)	-	104,094	99,226	99,226	
Dividends paid	-	-	-	-	-	-	(86,676)	(86,676)	(86,676)	
Issue of shares on exercise of share options	162	-	3,329	-	-	-	-	3,329	3,491	
Transfer to share premium upon exercise of share options	-	-	1,711	(1,711)	-	-	-	-	-	
Share-based compensation	-	-	-	2,170	-	-	-	2,170	2,170	
Changes in equity for the period	162	-	5,040	459	(4,868)	-	17,418	18,049	18,211	
Balance at 30 September 2019	43,563	(2,272)	163,956	6,877	11,587	4,523	949,259	1,136,202	1,177,493	

The Company	Reserves							Total equity
	Share capital	Treasury Share	Share premium	Share-based payment 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 2020	43,563	(2,272)	163,918	9,116	67,239	224,221	464,494	505,785
Total comprehensive income for the period	-	-	-	-	-	141	141	141
Dividends paid	-	-	-	-	-	(60,900)	(60,900)	(60,900)
Share-based compensation	-	-	-	2,321	-	-	2,321	2,321
Changes in equity for the period	-	-	-	2,321	-	(60,759)	(58,438)	(58,438)
Balance at 30 September 2020	43,563	(2,272)	163,918	11,437	67,239	163,462	406,056	447,347
Balance at 1 April 2019	43,401	(2,272)	158,916	6,418	67,239	221,701	454,274	495,403
Total comprehensive income for the period	-	-	-	-	-	(196)	(196)	(196)
Dividends paid	-	-	-	-	-	(86,676)	(86,676)	(86,676)
Issue of shares on exercise of share options	162	-	3,329	-	-	-	3,329	3,491
Transfer to share premium upon exercise of share options	-	-	1,711	(1,711)	-	-	-	-
Share-based compensation	-	-	-	2,170	-	-	2,170	2,170
Changes in equity for the period	162	-	5,040	459	-	(86,872)	(81,373)	(81,211)
Balance at 30 September 2019	43,563	(2,272)	163,956	6,877	67,239	134,829	372,901	414,192

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, subdivision, consolidation, share buy-backs, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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.

State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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

There were no changes in the Company's issued share capital during the period 1 April 2020 to 30 September 2020.

As at 30 September 2020, 31 March 2020 and 30 September 2019, the number of ordinary shares in issue was 435,630,837 of which 630,000 were held by the Company as treasury shares (equivalent to 0.14% of the total number of issued shares excluding treasury shares of 435,000,837). The share capital was \$43.6 million.

There was no subsidiary holding as at 30 September 2020 and 2019.

SHARE OPTIONS

As at 30 September 2020, the Company has the following outstanding share options:

Employee Share Option Scheme	Exercise Price	Balance as at 31.3.2020	Share options exercised	Balance as at 30.9.2020
Incentive Options (Note)	S\$0.268*	27,500	-	27,500
	S\$0.379*	187,000	-	187,000
	S\$0.701	3,095,000	-	3,095,000
	S\$0.530	2,890,000	-	2,890,000
	S\$0.570	3,295,000	-	3,295,000
Total		9,494,500	-	9,494,500

As at 30 September 2019, the Company has the following outstanding share options:

Employee Share Option Scheme	Exercise Price	Balance as at 31.3.2019	Share options exercised	Balance as at 30.9.2019
Incentive Options (Note)	S\$0.268*	27,500	-	27,500
	S\$0.379*	1,809,500	(1,622,500)	187,000
	S\$0.701	3,095,000	-	3,095,000
	S\$0.530	2,890,000	-	2,890,000
Total		7,822,000	(1,622,500)	6,199,500

* Following the completion of the 1-for-10 bonus issue on 5 June 2017, the number of outstanding share options held by each holder would be adjusted upward by 10% and their respective exercise prices would be adjusted downward by 10% as a result.

Note:

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.

PERFORMANCE SHARE PLAN

The Company have no outstanding performance shares as at 30 September 2020 and 31 March 2020.

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 435,630,837 as at 30 September 2020 and 31 March 2020.

Total number of treasury shares was 630,000 as at 30 September 2020 and 31 March 2020.

Total number of issued shares (excluding treasury shares) was 435,000,837 as at 30 September 2020 and 31 March 2020.

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

There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company did not have any subsidiary holdings during and at the end of the current financial year reported on.

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

Not applicable.

3(b) Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

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 2020. The adoption of the new and revised IFRSs, which are effective for the financial period beginning on 1 April 2020, 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.**

Not applicable.

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	
	6 months ended 30 September 2020	6 months ended 30 September 2019
Earnings per ordinary share based on the net profit for the period		
(a) Based on weighted average number of ordinary shares on issue; and	HK 21.0 cents	HK 24.0 cents
(b) On a fully diluted basis	HK 21.0 cents	HK 24.0 cents
Number of ordinary shares in issue (excluding treasury shares)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	435,000,837	433,741,848
Effect of potentially dilutive ordinary shares – Share options	149,188	89,424
Weighted average number of ordinary shares for the purpose of diluted earnings per share	435,150,025	433,831,272

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	
	30.09.2020	31.03.2020	30.09.2020	31.03.2020
	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 period	2.9	2.8	1.0	1.2
Number of ordinary shares in issue excluding treasury shares	435,000,837	435,000,837	435,000,837	435,000,837

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” or “CE”) and industrial and commercial electronics products (“Industrial and Commercial” or “ICE”).

Review – 6 months ended 30 September 2020 (“1H FY2021”) vs 6 months ended 30 September 2019 (“1H FY2020”)**Revenue**

Revenue decreased by 19.9% or HK\$272.2 million from HK\$1,367.1 million in 1H FY2020 to HK\$1,094.9 million in 1H FY2021.

Consumer Electronics revenue decreased by 35.8% to HK\$365.1 million (1H FY2020: HK\$568.7 million) due to reduced demand under the COVID-19 pandemic.

Industrial and Commercial Electronics revenue decreased by 8.6% to HK\$729.8 million (1H FY2020: HK\$798.4 million), mainly attributed to the decrease in demand from some Industrial and Commercial Electronics customers. There was significant drop in sales to the auto customer as a result of declines in global vehicle production. Such negative impacts were partly offset by the relatively stable revenue contribution from a printer customer which benefits from e-commerce sales; and a sensing devices customer which benefits from its product's application in logistics industry.

Gross profit and gross profit margin

Gross profit decreased by 9.7% to HK\$185.9 million (1H FY2020: HK\$205.9 million) while gross profit margin improved to 17.0% (1H FY2020: 15.1%) as the results of a change in product sales mix during the period.

Other income and gains, net

Other income decreased by 16.9% to HK\$11.4 million (1H FY2020: HK\$13.7 million). The decrease was mainly due to the decrease in interest income after several rounds of interest rate cuts.

Selling and distribution expenses

Selling and distribution expenses decreased by 8.5% to HK\$13.6 million (1H FY2020: HK\$14.9 million) and this decrease was mainly due to the decrease in revenue and corresponding commission expenses.

Administrative expenses

Administrative expenses decreased by 8.7% to HK\$79.7 million (1H FY2020: HK\$87.3 million) and this was mainly due to more stringent cost control measures put in place by Management.

Profit for the period

As a result of the above, the net profit for the period decreased by 12.1% to HK\$91.5 million (1H FY2020: HK\$104.1 million).

Financial position and cash flows

As at 30 September 2020, the Group had net current assets of HK\$936.4 million (31 March 2020: HK\$902.4 million), total assets of HK\$2,220.2 million (31 March 2020: HK\$2,013.5 million) and shareholders' funds of HK\$1,268.0 million (31 March 2020: HK\$1,231.6 million).

The Group's trade receivables increased by HK\$187.1 million from HK\$326.4 million as at 31 March 2020 to HK\$513.5 million as at 30 September 2020. The Group's trade payables increased by HK\$142.4 million from HK\$291.2 million as at 31 March 2020 to HK\$433.6 million as at 30 September 2020. The Group's inventories decreased by HK\$17.7 million from HK\$227.9 million as at 31 March 2020 to HK\$210.2 million as at 30 September 2020.

The working capital of the Group as at 30 September 2020, which is the sum of trade receivables and inventories less trade payables, was HK\$290.1 million (31 March 2020: HK\$263.1 million). The increase in net working capital, reflecting the movement in trade receivables, inventories and trade payables, was mainly due to increased business activities in the second quarter of FY2021 as compared to the last quarter of FY2020.

The Group had no bank borrowings as at 30 September 2020 (31 March 2020: Nil).

As at 30 September 2020, the Group had cash and cash equivalents of HK\$1,132.3 million (31 March 2020: HK\$1,053.1 million). Over 94% of its cash and cash equivalents were placed in reputable financial institutions in Hong Kong, UK and Singapore. For the remaining balance, mainly in PRC and Vietnam, the cash and cash equivalents were placed in equivalent reputable financial institutions. The cash and cash equivalents are annually audited by the Group's auditors, PricewaterhouseCoopers.

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.

Following the gradual release of stringent travel restrictions in China, the Group's China factories were able to fill up the workforce since the starting of the financial year ending 31 March 2021 ("FY2021").

However, the unsettled COVID-19 pandemic in Europe and North America continues to weaken customer demand from both CE and ICE segments, with the exception of printers and sensing devices customers.

Construction of the Group's own Vietnam campus has started in July 2020, while the 4,000 square meters leased factory, just few miles away from the Vietnam campus, has commenced production during the period. This demonstrates the Group's immediate solution for customers who seek to diversify their procurement chain outside China. A few of the Group's existing customers are in different stages of production transfer from the Group's China site to the Vietnam site.

Meanwhile, to mitigate the increasing risk of Sino-US trade tensions, some customers in the auto industry and Consumer Electronics segment continue their planned transfer of their production for the US end-market from China to North America and ASEAN. This switch-over to other suppliers in these regions is expected to complete in FY2021. We expect the negative impact of such a switch-over to be reflected in the financial year ending 31 March 2022 ("FY2022").

Barring unforeseen circumstances, the Group expects to remain profitable for FY2021. However, the far-from-over COVID-19 pandemic and Sino-US trade tension continue to make the outlook of the near term beyond FY2021 highly uncertain.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in HK cents)	HK 5 cents per ordinary share
Tax Rate	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	Interim
Dividend Type	Cash
Dividend Amount per Share (in HK cents)	HK 6 cents per ordinary share
Tax Rate	Not applicable

(c) Date payable

The interim dividend will be paid on 8 December 2020.

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 24 November 2020 for the preparation of dividend warrants.

Duly completed and registrable transfers received by the Company's Share Transfer Agent, B.A.C.S. Private Limited, at 8 Robinson Road #03-00, ASO Building, Singapore 048544, up to the close of business at 5.00 p.m. on 23 November 2020 will be registered to determine shareholders' entitlements to the interim dividend.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 23 November 2020 will be entitled to the interim dividend.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

13. 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.

14. Confirmation By the Company Pursuant to Rule 720(1) of the Listing Rules of Singapore Exchange Securities Trading Limited ("SGX-ST")

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.

15. Confirmation By Directors Pursuant to Rule 705(5) of the Listing Manual of SGX-ST

We, Tse Chong Hing and Chow Kok Kit, being two of the Directors of Valuetronics Holdings Limited (the “Company”), confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the period ended 30 September 2020 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors of
Valuetronics Holdings Limited

Tse Chong Hing
Chairman and Managing Director
11 November 2020

Chow Kok Kit
Executive Director