

**Financial Statements and Related Announcement::Full Yearly Results****Issuer & Securities**

<b>Issuer/ Manager</b>	VALUETRONICS HOLDINGS LIMITED
<b>Securities</b>	VALUETRONICS HOLDINGS LIMITED - BMG9316Y1084 - BN2
<b>Stapled Security</b>	No

**Announcement Details**

<b>Announcement Title</b>	Financial Statements and Related Announcement
<b>Date &amp; Time of Broadcast</b>	25-May-2018 23:38:56
<b>Status</b>	New
<b>Announcement Sub Title</b>	Full Yearly Results
<b>Announcement Reference</b>	SG180525OTHRN013
<b>Submitted By (Co./ Ind. Name)</b>	Tse Chong Hing
<b>Designation</b>	Chairman and Managing Director
<b>Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)</b>	PLEASE SEE ATTACHED.

**Additional Details**

<b>For Financial Period Ended</b>	31/03/2018
<b>Attachments</b>	<a href="#">VHL- FY2018 Results.pdf</a> Total size =169K



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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 2018****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 2018**

	The Group		
	Year ended 31 March		
	2018	2017	Change
	HK\$'000	HK\$'000	%
Revenue	2,853,667	2,274,911	25.4
Cost of sales	(2,439,067)	(1,933,191)	26.2
<b>Gross profit</b>	<b>414,600</b>	<b>341,720</b>	<b>21.3</b>
Selling and distribution expenses	(37,919)	(31,294)	21.2
Administrative expenses	(161,497)	(150,415)	7.4
Other income and gains, net	15,221	13,598	11.9
<b>Operating profit</b>	<b>230,405</b>	<b>173,609</b>	<b>32.7</b>
Finance costs	(684)	(646)	5.9
<b>Profit before income tax</b>	<b>229,721</b>	<b>172,963</b>	<b>32.8</b>
Income tax expense	(24,990)	(18,896)	32.3
<b>Profit for the year</b>	<b>204,731</b>	<b>154,067</b>	<b>32.9</b>
<b>Attributable to:</b>			
Owners of the Company	204,731	154,067	32.9

## Consolidated Statement of Comprehensive Income for the year ended 31 March 2018

	The Group		
	Year ended 31 March		
	2018	2017	Change
	HK\$'000	HK\$'000	%
<b>Profit for the year</b>	<b>204,731</b>	<b>154,067</b>	<b>32.9</b>
<b>Other comprehensive income/(loss), net of tax</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Currency translation differences*	7,352	(4,140)	-277.6
<b>Total comprehensive income for the year</b>	<b>212,083</b>	<b>149,927</b>	<b>41.5</b>
<b>Attributable to:</b>			
Owners of the Company	212,083	149,927	41.5

\* Representing exchange differences on translating the Group's subsidiaries in the PRC arising from the appreciation/(depreciation) of Reminbi.

**Note:**

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

	The Group	
	Year ended 31 March	
	2018	2017
	HK\$'000	HK\$'000
Depreciation on property, plant and equipment	37,066	30,115
Amortisation of land use rights	462	455
Gains on disposals of property, plant and equipment	(513)	(559)
Interest income	(8,800)	(7,551)
Finance cost	684	646
Net exchange gains	(3,751)	(2,493)

**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 2018**

	The Group		The Company	
	At 31.3.2018	At 31.3.2017	At 31.3.2018	At 31.3.2017
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Land use rights	18,673	17,443	-	-
Property, plant and equipment*	209,648	157,133	-	-
Interests in subsidiaries	-	-	83,330	83,330
Available-for-sale financial assets	50,430	17,142	-	-
Others	15,676	16,161	-	-
<b>Total non-current assets</b>	<b>294,427</b>	<b>207,879</b>	<b>83,330</b>	<b>83,330</b>
<b>Current assets</b>				
Inventories	385,637	291,864	-	-
Trade receivables	582,814	486,275	-	-
Other receivables and prepayments	34,799	29,296	365	328
Due from subsidiaries	-	-	395,622	366,439
Available-for-sale financial assets	-	54,762	-	-
Cash and bank deposits	671,087	752,941	337	1,760
<b>Total current assets</b>	<b>1,674,337</b>	<b>1,615,138</b>	<b>396,324</b>	<b>368,527</b>
<b>Total assets</b>	<b>1,968,764</b>	<b>1,823,017</b>	<b>479,654</b>	<b>451,857</b>
<b>EQUITY</b>				
Share capital	43,240	38,439	43,240	38,439
Treasury shares	(8,298)	(8,268)	(8,298)	(8,268)
Reserves	1,027,018	908,403	444,054	421,232
<b>Total equity</b>	<b>1,061,960</b>	<b>938,574</b>	<b>478,996</b>	<b>451,403</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Deferred income tax liabilities	7,332	3,294	-	-
<b>Total non-current liabilities</b>	<b>7,332</b>	<b>3,294</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Trade payables	482,893	484,708	-	-
Other payables and accruals	382,552	365,849	658	454
Current income tax liabilities	34,027	30,592	-	-
<b>Total current liabilities</b>	<b>899,472</b>	<b>881,149</b>	<b>658</b>	<b>454</b>
<b>Total liabilities</b>	<b>906,804</b>	<b>884,443</b>	<b>658</b>	<b>454</b>
<b>Total equity and liabilities</b>	<b>1,968,764</b>	<b>1,823,017</b>	<b>479,654</b>	<b>451,857</b>
<b>Net current assets</b>	<b>774,865</b>	<b>733,989</b>	<b>395,666</b>	<b>368,073</b>
<b>Total assets less current liabilities</b>	<b>1,069,292</b>	<b>941,868</b>	<b>478,996</b>	<b>451,403</b>

\*The increase in property, plant and equipment mainly represented additions of SMT line and shop floor Manufacturing Execution System.

**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 2018		As at 31 March 2017	
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 2018		As at 31 March 2017	
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 2018**

	The Group	
	Year ended 31 March	
	2018	2017
	HK\$'000	HK\$'000
<b>Cash flows from operating activities</b>		
Profit before income tax	229,721	172,963
Adjustments for :		
Amortisation of land use rights	462	455
Depreciation on property, plant and equipment	37,066	30,115
Gains on disposals of property, plant and equipment	(513)	(559)
Share-based compensation	5,526	6,660
Interest income	(8,800)	(7,551)
	<b>263,462</b>	<b>202,083</b>
Changes in working capital:		
Increase in inventories	(93,773)	(93,182)
Increase in trade receivables	(96,539)	(143,120)
Increase in other receivables and prepayments	(5,503)	(22,139)
(Decrease)/increase in trade payables	(1,815)	198,499
Increase in other payables and accruals	16,703	27,315
<b>Net cash generated from operations</b>	<b>82,535</b>	<b>169,456</b>
Income tax paid	(19,006)	(8,920)
<b>Net cash generated from operating activities</b>	<b>63,529</b>	<b>160,536</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(82,387)	(43,786)
Proceeds from disposals of property, plant and equipment	587	2,419
Addition of available-for-sale financial assets	(42,800)	-
Redemption of available-for-sale financial assets	64,274	10,606
Addition of short-term bank deposits *	(423,489)	-
Redemption of short-term bank deposits *	307,233	-
Interest received	8,800	7,551
<b>Net cash used in investing activities</b>	<b>(167,782)</b>	<b>(23,210)</b>
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	-	(6,288)
Dividend paid	(114,134)	(75,843)
Proceeds from shares issued in exercise of share options	19,911	6,819
<b>Net cash used in financing activities</b>	<b>(94,223)</b>	<b>(75,312)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(198,476)</b>	<b>62,014</b>
Effect of foreign exchange rate changes	366	1,667
<b>Cash and cash equivalents at beginning of the year</b>	<b>752,941</b>	<b>689,260</b>
<b>Cash and cash equivalents at end of the year *</b>	<b>554,831</b>	<b>752,941</b>

\* As at 31 March 2018, cash and bank deposits of the Group amounted to HK\$671,087,000 comprise (i) cash and cash equivalents of HK\$554,831,000; and (ii) term deposits with initial terms of over three months of HK\$116,256,000.

**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 2018**

The Group	Attributable to the owners of the Company								
	Reserves							Total reserves	Total equity
	Share capital	Treasury share	Share premium	Share-based payment reserve	Currency translation reserve	Statutory reserve (Note)	Retained earnings		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Balance at 1 April 2017	38,439	(8,268)	130,791	10,342	14,219	3,427	749,624	908,403	938,574
Total comprehensive income for the year	-	-	-	-	7,352	-	204,731	212,083	212,083
Dividends paid	-	-	-	-	-	-	(114,134)	(114,134)	(114,134)
Issue of shares on exercise of share options	948	-	18,963	-	-	-	-	18,963	19,911
Transfer to share premium upon exercise of share options	-	-	9,134	(9,134)	-	-	-	-	-
Issue of bonus shares	3,853	(30)	(3,823)	-	-	-	-	(3,823)	-
Share-based compensation	-	-	-	5,526	-	-	-	5,526	5,526
Transfer to statutory reserve	-	-	-	-	-	672	(672)	-	-
Changes in equity for the year	4,801	(30)	24,274	(3,608)	7,352	672	89,925	118,615	123,386
<b>Balance at 31 March 2018</b>	<b>43,240</b>	<b>(8,298)</b>	<b>155,065</b>	<b>6,734</b>	<b>21,571</b>	<b>4,099</b>	<b>839,549</b>	<b>1,027,018</b>	<b>1,061,960</b>
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
<b>Balance at 31 March 2017</b>	<b>38,439</b>	<b>(8,268)</b>	<b>130,791</b>	<b>10,342</b>	<b>14,219</b>	<b>3,427</b>	<b>749,624</b>	<b>908,403</b>	<b>938,574</b>

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 2017	38,439	(8,268)	130,791	10,342	67,239	212,860	421,232	451,403
Total comprehensive income for the year	-	-	-	-	-	116,290	116,290	116,290
Dividends paid	-	-	-	-	-	(114,134)	(114,134)	(114,134)
Issue of shares on exercise of share options	948	-	18,963	-	-	-	18,963	19,911
Transfer to share premium under exercise of share options	-	-	9,134	(9,134)	-	-	-	-
Issue of bonus shares	3,853	(30)	(3,823)	-	-	-	(3,823)	-
Share-based compensation	-	-	-	5,526	-	-	5,526	5,526
Changes in equity for the year	4,801	(30)	24,274	(3,608)	-	2,156	22,822	27,593
<b>Balance at 31 March 2018</b>	<b>43,240</b>	<b>(8,298)</b>	<b>155,065</b>	<b>6,734</b>	<b>67,239</b>	<b>215,016</b>	<b>444,054</b>	<b>478,996</b>
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 under 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
<b>Balance at 31 March 2017</b>	<b>38,439</b>	<b>(8,268)</b>	<b>130,791</b>	<b>10,342</b>	<b>67,239</b>	<b>212,860</b>	<b>421,232</b>	<b>451,403</b>

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 2018, the number of ordinary shares in issue was 432,397,617 of which 3,343,780 were held by the Company as treasury shares. The share capital was HK\$43.2 million.

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.

### SHARE OPTIONS

As at 31 March 2018, the Company has the following outstanding share options:

Employee Share Option Scheme	Exercise Price (Note 3)	Balance as at 31.3.2017	Additions	Adjustment for bonus issues (Note 3)	Share options exercised	Balance as at 31.3.2018
(a) Incentive Options (Note 1)	S\$0.369	3,700,000	-	277,500	(3,977,500)	-
	S\$0.268	6,300,000	-	630,000	(3,162,500)	3,767,500
	S\$0.379	3,450,000	-	345,000	-	3,795,000
	S\$0.701	-	3,245,000	-	-	3,245,000
(b) Market Options (Note 2)	S\$0.474	2,175,000	-	217,500	(2,337,500)	55,000
Total		15,625,000	3,245,000	1,470,000	(9,477,500)	10,862,500

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

#### Notes:

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

## PERFORMANCE SHARE PLAN

The Company has no outstanding performance shares as at 31 March 2018 and 2017.

**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 432,397,617 and 384,388,750 as at 31 March 2018 and 2017 respectively.

Total number of treasury shares was 3,343,780 and 3,039,800 as at 31 March 2018 and 2017 respectively.

Total number of issued shares (excluding treasury shares) was 429,053,837 and 381,348,950 as at 31 March 2018 and 2017 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.**

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as 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. 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 2017. The adoption of the new and revised IFRSs, which are effective for the financial period beginning on 1 April 2017, 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	
	Year ended 31 March 2018	Year ended 31 March 2017
Earnings per ordinary share based on the net profit for the year		
(a) Based on weighted average number of ordinary shares on issue; and	HK 48.1 cents	HK 36.8 cents
(b) On a fully diluted basis	HK 47.6 cents	HK 36.5 cents
Number of ordinary shares in issue (excluding treasury shares)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	425,539,112	418,695,294
Effect of potentially dilutive ordinary shares – Share options	4,393,503	3,459,823
Weighted average number of ordinary shares for the purpose of diluted earnings per share	429,932,615	422,155,117

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		
	31.3.2018	31.03.2017 (as restated)	31.03.2017 (as previously reported)	31.3.2018	31.03.2017 (as restated)	31.03.2017 (as previously reported)
	HK dollar	HK dollar	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:	2.5	2.2	2.5	1.1	1.1	1.2
Number of ordinary shares in issue excluding treasury shares	429,053,837	419,483,845	381,348,950	429,053,837	419,483,845	381,348,950

**Note:** The calculations of net asset value per ordinary share for the year ended 31 March 2017 are adjusted retrospectively following the completion of the 1-for-10 bonus issue on 5 June 2017.

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 Electronics” or “ICE”).

**Review – Full year results ended 31 March 2018 (“FY2018”) vs Full year results ended 31 March 2017 (“FY2017”)**

**Revenue**

Revenue increased by 25.4% or HK\$578.8 million from HK\$2,274.9 million in FY2017 to HK\$2,853.7 million in FY2018.

Industrial and Commercial Electronics revenue increased by 13.0% to HK\$1,455.6 million (FY2017: HK\$1,287.8 million), which was mainly due to the increase in demand from some of our Industrial and Commercial customers.

Consumer Electronics revenue increased by 41.6% to HK\$1,398.1 million (FY2017: HK\$987.1 million), which was mainly due to the increase in demand of consumer lifestyle products, and smart LED lighting products with Internet of Things (“IOT”) features.

**Gross profit and gross profit margin**

Gross profit increased by 21.3% to HK\$414.6 million (FY2017: HK\$341.7 million), while gross profit margin decreased to 14.5% (FY2017: 15.0%) as the results of change in product sales mix during the year.

**Other income**

Other income increased by 11.9% to HK\$15.2 million. Such increase was mainly due to the increase in interest income and net exchange gains.

**Selling and distribution expenses**

Selling and distribution expenses increased by 21.2% to HK\$37.9 million (FY2017: HK\$31.3 million). Such increase was mainly due to the increase in revenue.

**Administrative expenses**

Administrative expenses increased by 7.4% to HK\$161.5 million. Such increase was mainly due to the increase in staff cost.

**Profit for the year**

As a result of the above, profit for the year increased by 32.9% to HK\$204.7 million (FY2017: HK\$154.1 million).

**Financial position and cash flows**

As at 31 March 2018, the Group had net current assets of HK\$774.9 million (31 March 2017: HK\$734.0 million), total assets of HK\$1,968.8 million (31 March 2017: HK\$1,823.0 million) and shareholders’ funds of HK\$1,062.0 million (31 March 2017: HK\$938.6 million).

The Group’s trade receivables increased by HK\$96.5 million from HK\$486.3 million as at 31 March 2017 to HK\$582.8 million as at 31 March 2018. The Group’s trade payables decreased by HK\$1.8 million from HK\$484.7 million as at 31 March 2017 to HK\$482.9 million as at 31 March 2018. The Group’s inventories increased by HK\$93.7 million from HK\$291.9 million as at 31 March 2017 to HK\$385.6 million as at 31 March 2018.

The working capital of the Group as at 31 March 2018, which is the sum of trade receivables and inventories less trade payables, was HK\$485.5 million (31 March 2017: HK\$293.5 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 2018 (31 March 2017: Nil).

As at 31 March 2018, the Group had cash and bank deposits of HK\$671.1 million (31 March 2017: HK\$752.9 million). Over 95% of its cash and bank deposits were placed in reputable financial institutions in Hong Kong. For the remaining balance, mainly in the PRC, the cash and bank deposits were placed in reputable financial institutions. The cash and bank deposits are 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.**

Valuetronics closed FY2018 with record breaking results driven by our operational excellence and strong demands from both CE and ICE customer portfolio.

Strong performance in CE segment in FY2018 was driven by consumer lifestyle products and smart LED lighting products with IOT features. We remain optimistic on the growth prospects of consumer lifestyle products as our customer in this segment continued launching new series of innovative products and increasing their penetration in new markets including China. Meanwhile, we are conservative on the smart LED lighting products as our customer signalled in their recent financial results disclosure for slower demand allowing for inventory reductions at their trade partners, which will inevitably impact our sales in FY2019. However in the same disclosure our customer also indicated their confidence on the long term growth of smart LED lighting products and expected their sales to return to normalized levels in the second half of calendar year 2018, which is our Q2 and Q3 FY2019.

In ICE segment, we saw strong performance in printers, and connectivity modules used in automotive industry in FY2018. Automotive products are expected to remain as the primary driver for ICE growth with increasing demands for in-car connectivity. In FY2018 the Group's key automotive customer completed its corporate restructuring to become a technology company focusing on active safety, autonomous driving, enhanced user experiences and connected services. The Group will further pursue opportunities in the future of mobility by providing vertical integrated services with our design and development capabilities.

Like most manufacturers with global sales, we are operating in an uncertain macro-economic environment caused by geo-political and trade tensions. The Group continues to see supply chain challenges, such as rising raw material prices and extended procurement lead times. The Group will continue to navigate the dynamic macro environment by focusing on operational improvements and working proactively with customers.

Barring unforeseen circumstances, the directors expect the Group to remain profitable in the coming financial year – FY2019.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Interim	Final	Special
Dividend Type	Cash	Cash	Cash
Dividend Amount per Share (in HK cents)	HK 7 cents per ordinary share	HK 15 cents per ordinary share	HK 5 cents per ordinary share
Tax Rate	Not applicable	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 15 cents per ordinary share	HK 5 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 2018	Consumer	Industrial	Total
	HK\$'000	HK\$'000	HK\$'000
Segment revenue	1,398,129	1,455,538	2,853,667
Segment profit	136,696	256,762	393,458
Unallocated corporate expenses			(188,727)
Profit for the year			204,731

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
Unallocated corporate expenses			(173,630)
Profit for the year			154,067

**(b) Geographical segments**

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

	Year ended 31 March 2018	Year ended 31 March 2017
	HK\$'000	HK\$'000
United States of America	1,195,566	1,047,630
People's Republic of China	893,953	670,995
Poland	200,524	113,262
Hong Kong	107,707	175,641
France	86,397	17,776
Germany	47,489	25,528
South Korea	37,757	21,524
Other countries	284,274	202,555
Total	2,853,667	2,274,911

- 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 2018 HK\$'000	Year ended 31 March 2017 HK\$'000	Change %
(a) Sales from operations reported for first half year	1,421,377	1,051,177	35.2
(b) Operating profit after tax reported for first half year	99,566	67,644	47.2
(c) Sales from operations reported for second half year	1,432,290	1,223,734	17.0
(d) Operating profit after tax reported for second half year	105,165	86,423	21.7

- 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 2018	Year ended 31 March 2017
	HK\$'000	HK\$'000
<b>Ordinary</b>	115,845	84,100
<b>Preference</b>	N/A	N/A
<b>Total:</b>	115,845	84,100

- 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.

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

**Tse Chong Hing**  
*Chairman and Managing Director*  
25 May 2018

**Chow Kok Kit**  
*Executive Director*