

Financial Statement and Dividend Announcement for the quarter ended 31 December 2017

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

	Q 4-17 S\$'000	Q 4-16 S\$'000	Increase/ (decrease) %	YTD Q 4-17 S\$'000	YTD Q 4-16 S\$'000	Increase/ (decrease) %
Revenue	491,818	356,780	37.8	1,426,866	1,305,071	9.3
Cost of sales	<u>(394,621)</u>	<u>(292,983)</u>	34.7	<u>(1,193,971)</u>	<u>(1,149,222)</u>	3.9
Gross profit	97,197	63,797	52.4	232,895	155,849	49.4
Other items of income						
Interest income	1,200	464	158.6	3,851	899	328.4
Other income	3,327	2,766	20.3	9,919	18,158	(45.4)
Other items of expense						
Selling and distribution expenses	(4,988)	(2,702)	84.6	(12,968)	(10,369)	25.1
Administrative expenses	(18,015)	(29,147)	(38.2)	(65,947)	(79,678)	(17.2)
Financial costs	(1,365)	(984)	38.7	(3,904)	(4,142)	(5.7)
Other expenses	(7,262)	577	n.m.	(17,536)	(9,822)	78.5
Share of results of an associate	150	58	158.6	100	285	(64.9)
Share of results of a joint venture	<u>(112)</u>	<u>-</u>	n.m.	<u>(98)</u>	<u>-</u>	n.m.
Profit before tax	70,132	34,829	101.4	146,312	71,180	105.6
Income tax expense	<u>(10,514)</u>	<u>(6,295)</u>	67.0	<u>(24,829)</u>	<u>(16,660)</u>	49.0
Profit for the period	<u>59,618</u>	<u>28,534</u>	108.9	<u>121,483</u>	<u>54,520</u>	122.8
Attributable to:						
Owners of the Company	59,621	28,536	108.9	121,492	54,525	122.8
Non-controlling interests	<u>(3)</u>	<u>(2)</u>	50.0	<u>(9)</u>	<u>(5)</u>	60.0
	<u>59,618</u>	<u>28,534</u>	108.9	<u>121,483</u>	<u>54,520</u>	122.8

n.m. – Not Meaningful

Consolidated statement of comprehensive income for the quarter ended 31 December 2017

	Group			Group		
	Q4-17 S\$'000	Q4-16 S\$'000	Increase/ (decrease)	YTD Q4-17 S\$'000	YTD Q4-16 S\$'000	Increase/ (decrease) %
Profit for the period	59,618	28,534	108.9	121,483	54,520	122.8
<u>Other comprehensive income</u>						
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translation	3,614	7,798	(53.7)	1,736	(23,027)	n.m.
Share of other comprehensive income of an associate	(25)	46	n.m.	(69)	(87)	(20.7)
Share of other comprehensive income of a joint venture	1	-	n.m.	(6)	-	n.m.
Other comprehensive income for the period, net of tax	<u>3,590</u>	<u>7,844</u>	(54.2)	<u>1,661</u>	<u>(23,114)</u>	n.m.
Total comprehensive income for the period	<u>63,208</u>	<u>36,378</u>	73.8	<u>123,144</u>	<u>31,406</u>	292.1
Total comprehensive income attributable to:						
Owners of the Company	63,206	36,365	73.8	123,164	31,458	291.5
Non-controlling interests	<u>2</u>	<u>13</u>	(84.6)	<u>(20)</u>	<u>(52)</u>	(61.5)
	<u>63,208</u>	<u>36,378</u>	73.8	<u>123,144</u>	<u>31,406</u>	292.1

n.m. – Not Meaningful

Notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year are as follows:

	Q4-17	Q4-16	YTD	YTD
	S\$'000	S\$'000	Q4-17	Q4-16
			S\$'000	S\$'000
1. Depreciation of property, plant and equipment	17,450	20,647	72,614	83,645
2. Amortization of deferred capital grants	(239)	(118)	(681)	(437)
3. Amortization of intangible asset	8	29	68	143
4. Adjustment to amortization of intangible asset	-	-	-	(2,092)
5. Amortization of land use rights	66	66	262	267
6. Impairment loss / (reversal of impairment loss) on property, plant and equipment & intangible asset	14	2,743	(475)	3,973
7. Net (gain)/loss on disposal of property, plant and equipment	(234)	(153)	(455)	54
8. Property, plant and equipment written off	94	1	177	20
9. Inventory provisions	3,118	11,787	7,902	23,303
10. Inventories written back	(204)	(178)	(579)	(588)
11. Onerous contract provisions/ charges	1,328	-	1,630	-
12. (Write back of)/ impairment loss on doubtful receivables	(244)	6,985	(757)	6,546
13. Bad debt written off	-	5,336	-	5,338
14. Trade/ other payables waived	(81)	(352)	(1,030)	(1,514)
15. Directors' fees	89	89	358	358
16. Staff costs (including directors' remuneration)	125,600	94,022	406,523	339,421
17. Operating lease expense	4,934	5,369	19,489	20,759
18. Net foreign exchange loss/ (gain)	7,092	(9,779)	18,553	(1,631)
19. Net fair value (gain)/ loss on derivatives	(1,293)	4,519	(2,559)	5,630
20. Gain on disposal of investment securities	-	-	-	(10,470)
21. Provision/ (reversal of provision) for warranty costs	11	(191)	27	(139)
22. (Reversal of allowance)/ allowance on non-cancellable purchase commitments	(136)	1,757	(2,064)	2,972
23. Insurance claim	(47)	(85)	(263)	(156)

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

	Group		Company	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	315,131	359,598	15,946	16,015
Intangible assets	12	89	12	12
Land use rights	11,352	11,721	-	-
Investment in subsidiaries	-	-	380,535	359,594
Investment in associates	6,663	2,524	503	503
Investment in a joint venture	348	#	-	-
Other receivables	-	-	26,746	67,456
Other long term assets	-	2	-	-
Restricted bank deposits	505	483	-	-
Deferred tax assets	25,729	21,617	-	-
	359,740	396,034	423,742	443,580
Current assets				
Inventories	178,529	142,918	3,437	4,541
Trade and other receivables	445,297	361,845	77,728	83,844
Notes receivable	7,551	-	-	-
Prepaid operating expenses	6,447	9,080	208	607
Restricted bank deposits	4,411	9,251	-	-
Cash and cash equivalents	277,914	110,927	13,748	6,458
	920,149	634,021	95,121	95,450
Total assets	1,279,889	1,030,055	518,863	539,030
Current liabilities				
Trade and other payables	419,860	244,755	9,405	11,162
Notes payable	1,577	2,909	-	-
Accrued operating expenses	89,246	85,484	38,425	19,350
Provisions	1,368	38	-	-
Deferred capital grant	784	478	93	-
Loans and borrowings	205,213	95,502	25,058	24,638
Income tax payable	21,557	11,872	1,473	2,374
Derivatives	-	254	-	-
	739,605	441,292	74,454	57,524
Net current assets	180,544	192,729	20,667	37,926
Non-current liabilities				
Other payables	-	-	164,006	46,805
Deferred capital grant	5,720	5,032	161	-
Loans and borrowings	29	82	29	82
Deferred tax liabilities	5,050	4,428	2,702	2,329
	10,799	9,542	166,898	49,216
Total liabilities	750,404	450,834	241,352	106,740
Net assets	529,485	579,221	277,511	432,290

Amount less than S\$1,000

	Group		Company	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	S\$'000	S\$'000	S\$'000	S\$'000
Equity attributable to owners of the				
Company				
Share capital	119,725	119,725	119,725	119,725
Treasury shares	(56,547)	(55,701)	(56,547)	(55,701)
Accumulated profits	421,095	467,129	209,528	358,554
Other reserves	44,247	47,083	4,805	9,712
	<u>528,520</u>	<u>578,236</u>	<u>277,511</u>	<u>432,290</u>
Non-controlling interests	965	985	-	-
Total equity	<u>529,485</u>	<u>579,221</u>	<u>277,511</u>	<u>432,290</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable within one year or less, or on demand

As at 31/12/2017		As at 31/12/2016	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
58	205,155	2,097	93,405

Amount repayable after one year

As at 31/12/2017		As at 31/12/2016	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
29	-	82	-

Lease obligations of S\$87,000 were secured against the respective leased assets.

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.

	Q4-17 S\$'000	Q4-16 S\$'000	YTD Q4-17 S\$'000	YTD Q4-16 S\$'000
Cash flows from operating activities				
Profit before tax	70,132	34,829	146,312	71,180
Adjustments for:				
Depreciation of property, plant and equipment	17,450	20,647	72,614	83,645
Amortization of deferred capital grants	(239)	(118)	(681)	(437)
Amortization of intangible asset	8	29	68	143
Adjustment to amortization of intangible asset	-	-	-	(2,092)
Amortization of land use rights	66	66	262	267
Impairment loss/ (reversal of impairment loss) on property, plant and equipment & intangible asset	14	2,743	(475)	3,973
Net (gain)/ loss on disposal of property, plant and equipment	(234)	(153)	(455)	54
Property, plant and equipment written off	94	1	177	20
Inventory provisions	3,118	11,787	7,902	23,303
Inventories written back	(204)	(178)	(579)	(588)
Provision/ (reversal of provision) for warranty costs	11	(191)	27	(147)
Onerous contract provisions	1,328	-	1,328	-
(Write back of)/ impairment loss on doubtful receivables	(244)	6,985	(757)	6,546
Bad debts written off	-	5,336	-	5,338
(Reversal of allowance)/ allowance on non-cancellable purchase commitments	(136)	1,757	(2,064)	2,972
Trade/ other payables waived	(81)	(352)	(1,030)	(1,514)
Equity compensation expense	-	19	27	136
Financial costs	1,365	984	3,904	4,142
Interest income	(1,200)	(464)	(3,851)	(899)
Net fair value (gain)/ loss on derivatives - unrealised	(658)	45	(254)	(606)
Gain on disposal of investment securities	-	-	-	(10,470)
Net unrealised exchange difference	2,084	(1,117)	4,799	3,683
Share of results of an associate	(150)	(58)	(100)	(285)
Share of results of a joint venture	112	-	98	-
Operating cash flows before changes in working capital	92,636	82,597	227,272	188,364
<u>Changes in working capital</u>				
Decrease/ (increase) in inventories	14,564	23,849	(45,858)	69,240
(Increase)/ decrease in trade and other receivables	(85,969)	26,576	(84,929)	98,345
Decrease/ (increase) in notes receivable	6,553	-	(7,551)	-
Decrease/ (increase) in prepaid operating expenses and other long term assets	424	(1,583)	2,437	272
Increase/ (decrease) in trade and other payables	25,174	(21,331)	182,298	(80,188)
Increase/ (decrease) in notes payable	216	31	(1,332)	2,081
Increase in accrued operating expenses	18,499	8,280	6,636	3,229
Total changes in working capital	(20,539)	35,822	51,701	92,979
Cash flows generated from operations	72,097	118,419	278,973	281,343
Income taxes paid	(4,684)	(2,193)	(18,754)	(13,542)
Net cash flows generated from operating activities	67,413	116,226	260,219	267,801

	Q4-17 S\$'000	Q4-16 S\$'000	YTD Q4-17 S\$'000	YTD Q4-16 S\$'000
Cash flows from investing activities				
Dividends received from an associated company	-	150	-	150
Proceeds from capital grants	320	-	1,845	2,805
Consultancy fee paid for capital grants application	-	-	(122)	-
Interest received	1,277	467	3,575	894
Proceeds from disposal of property, plant and equipment	226	312	1,316	3,371
Purchase of property, plant and equipment (Note a)	(6,699)	(5,902)	(31,600)	(53,930)
Proceeds from disposal of investment securities	-	-	-	10,925
Investment in an associate	(4,108)	-	(4,108)	-
Investment in a joint venture	-	-	(485)	-
Net cash flows used in investing activities	(8,984)	(4,973)	(29,579)	(35,785)
Cash flows from financing activities				
(Increase)/ decrease in restricted bank deposits	(2,134)	(40)	4,818	(9,734)
Dividends paid on ordinary shares	(16,164)	(3,247)	(172,689)	(5,696)
Purchase of treasury shares	(1,281)	(2,636)	(3,128)	(4,308)
Proceeds from re-issuance of treasury shares	906	-	2,910	-
Interest paid	(1,365)	(984)	(3,909)	(4,142)
Net (repayment of)/ proceeds from loans and borrowings	(54,783)	(74,069)	111,750	(211,080)
Repayments of obligations under finance lease	(15)	(2,509)	(2,052)	(8,515)
Net cash flows used in financing activities	(74,836)	(83,485)	(62,300)	(243,475)
Net (decrease)/ increase in cash and cash equivalents	(16,407)	27,768	168,340	(11,459)
Effect of exchange rate changes on cash and cash equivalents	195	1,158	(1,353)	(3,770)
Cash and cash equivalents at beginning of period	294,126	82,001	110,927	126,156
Cash and cash equivalents at end of period	277,914	110,927	277,914	110,927

Note to the Consolidated Cash Flow Statement

(a) Purchase of Property, plant and equipment

Current period additions	6,021	3,642	29,410	23,127
Less: Payable to creditors	(4,520)	(3,124)	(5,593)	(6,327)
	1,501	518	23,817	16,800
Payments for prior period/year purchases	5,198	5,384	7,783	37,130
Net cash outflow for purchase	6,699	5,902	31,600	53,930

1(d)(i) A statement (for the issuer and the 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.

(i) Consolidated statement of changes in equity for the 12 months ended 31 December 2017

Attributable to owners of the Company

	Share capital	Treasury shares	Other reserves	Accumulated profits	Total equity attributable to equity holders of the Company	Non- controlling interests	Total equity
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 1 January 2017	119,725	(55,701)	47,083	467,129	578,236	985	579,221
Profit for the period	-	-	-	8,402	8,402	(2)	8,400
Share of other comprehensive income of an associate	-	-	13	-	13	-	13
Foreign currency translation	-	-	(7,474)	-	(7,474)	(24)	(7,498)
Other comprehensive income for the period, net of tax	-	-	(7,461)	-	(7,461)	(24)	(7,485)
Total comprehensive income for the period	-	-	(7,461)	8,402	941	(26)	915
<u>Contributions by and distributions to owners</u>							
Employee share option and award schemes -Equity compensation benefits	-	-	20	-	20	-	20
Total transactions with owners in their capacity as owners	-	-	20	-	20	-	20
<u>Others</u>							
Transfer from retained earnings to statutory reserve fund	-	-	27	(27)	-	-	-
Total others	-	-	27	(27)	-	-	-
Closing balance at 31 March 2017	119,725	(55,701)	39,669	475,504	579,197	959	580,156

(i) Consolidated statement of changes in equity for the 12 months ended 31 December 2017 (cont'd)

	Attributable to owners of the Company						
	Share capital	Treasury shares	Other reserves	Accumulated profits	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 31 March 2017	119,725	(55,701)	39,669	475,504	579,197	959	580,156
Profit for the period	-	-	-	15,099	15,099	(2)	15,097
Share of other comprehensive income of an associate	-	-	(41)	-	(41)	-	(41)
Share of other comprehensive income of a joint venture	-	-	(9)	-	(9)	-	(9)
Foreign currency translation	-	-	2,122	-	2,122	2	2,124
Other comprehensive income for the period, net of tax	-	-	2,072	-	2,072	2	2,074
Total comprehensive income for the period	-	-	2,072	15,099	17,171	-	17,171
<u>Contributions by and distributions to owners</u>							
Employee share option and award schemes -Equity compensation benefits	-	-	7	-	7	-	7
Purchase of treasury shares	-	(1,847)	-	-	(1,847)	-	(1,847)
Treasury shares reissued pursuant to employee share option & award schemes	-	405	(28)	-	377	-	377
Dividends on ordinary shares	-	-	-	(3,227)	(3,227)	-	(3,227)
Total transactions with owners in their capacity as owners	-	(1,442)	(21)	(3,227)	(4,690)	-	(4,690)
Closing balance at 30 June 2017	119,725	(57,143)	41,720	487,376	591,678	959	592,637

(i) Consolidated statement of changes in equity for the 12 months ended 31 December 2017 (cont'd)

Attributable to owners of the Company

	Share capital	Treasury shares	Other reserves	Accumulated profits	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 30 June 2017	119,725	(57,143)	41,720	487,376	591,678	959	592,637
Profit for the period	-	-	-	38,370	38,370	(2)	38,368
Share of other comprehensive income of an associate	-	-	(16)	-	(16)	-	(16)
Share of other comprehensive income of a joint venture	-	-	2	-	2	-	2
Foreign currency translation	-	-	3,490	-	3,490	6	3,496
Other comprehensive income for the period, net of tax	-	-	3,476	-	3,476	6	3,482
Total comprehensive income for the period	-	-	3,476	38,370	41,846	4	41,850
<u>Contributions by and distributions to owners</u>							
Treasury shares reissued pursuant to employee share option scheme	-	1,211	416	-	1,627	-	1,627
Dividends on ordinary shares	-	-	-	(153,298)	(153,298)	-	(153,298)
Total transactions with owners in their capacity as owners	-	1,211	416	(153,298)	(151,671)	-	(151,671)
Closing balance at 30 September 2017	119,725	(55,932)	45,612	372,448	481,853	963	482,816

(i) Consolidated statement of changes in equity for the 12 months ended 31 December 2017 (cont'd)

Attributable to owners of the Company

Group	Share capital	Treasury shares	Other reserves	Accumulated profits	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 30 September 2017	119,725	(55,932)	45,612	372,448	481,853	963	482,816
Profit for the period	-	-	-	59,621	59,621	(3)	59,618
Share of other comprehensive income of an associate	-	-	(25)	-	(25)	-	(25)
Share of other comprehensive income of a joint venture	-	-	1	-	1	-	1
Foreign currency translation	-	-	3,609	-	3,609	5	3,614
Other comprehensive income for the period, net of tax	-	-	3,585	-	3,585	5	3,590
Total comprehensive income for the period	-	-	3,585	59,621	63,206	2	63,208
<u>Contributions by and distributions to owners</u>							
Purchase of treasury shares	-	(1,281)	-	-	(1,281)	-	(1,281)
Treasury shares reissued pursuant to employee share option scheme	-	666	240	-	906	-	906
Dividends on ordinary shares	-	-	-	(16,164)	(16,164)	-	(16,164)
Total transactions with owners in their capacity as owners	-	(615)	240	(16,164)	(16,539)	-	(16,539)
<u>Others</u>							
Expiry of employee share options & awards	-	-	(5,562)	5,562	-	-	-
Transfer from retained earnings to statutory reserve fund	-	-	372	(372)	-	-	-
Total others	-	-	(5,190)	5,190	-	-	-
Closing balance at 31 December 2017	119,725	(56,547)	44,247	421,095	528,520	965	529,485

(ii) Consolidated statement of changes in equity for the 12 months ended 31 December 2016

Attributable to owners of the Company

	Share capital	Treasury shares	Other reserves	Accumulated profits	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 1 January 2016	119,725	(51,512)	70,075	418,358	556,646	1,037	557,683
Loss for the period	-	-	-	(12,371)	(12,371)	-	(12,371)
Share of other comprehensive income of an associate	-	-	(21)	-	(21)	-	(21)
Foreign currency translation	-	-	(22,418)	-	(22,418)	(45)	(22,463)
Other comprehensive income for the period, net of tax	-	-	(22,439)	-	(22,439)	(45)	(22,484)
Total comprehensive income for the period	-	-	(22,439)	(12,371)	(34,810)	(45)	(34,855)
<u>Contributions by and distributions to owners</u>							
Employee share option and award schemes -Equity compensation benefits	-	-	59	-	59	-	59
Total transactions with owners in their capacity as owners	-	-	59	-	59	-	59
<u>Others</u>							
Transfer from retained earnings to statutory reserve fund	-	-	14	(14)	-	-	-
Total others	-	-	14	(14)	-	-	-
Closing balance at 31 March 2016	119,725	(51,512)	47,709	405,973	521,895	992	522,887

(ii) Consolidated statement of changes in equity for the 12 months ended 31 December 2016 (cont'd)
Attributable to owners of the Company

	Share capital	Treasury shares	Other reserves	Accumulated profits	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 31 March 2016	119,725	(51,512)	47,709	405,973	521,895	992	522,887
Profit for the period	-	-	-	7,645	7,645	(1)	7,644
Share of other comprehensive income of an associate	-	-	(54)	-	(54)	-	(54)
Foreign currency translation	-	-	(12,968)	-	(12,968)	(25)	(12,993)
Other comprehensive income for the period, net of tax	-	-	(13,022)	-	(13,022)	(25)	(13,047)
Total comprehensive income for the period	-	-	(13,022)	7,645	(5,377)	(26)	(5,403)
<u>Contributions by and distributions to owners</u>							
Employee share option and award schemes -Equity compensation benefits	-	-	36	-	36	-	36
Treasury shares reissued pursuant to employee share award scheme	-	118	(118)	-	-	-	-
Dividends on ordinary shares	-	-	-	(2,449)	(2,449)	-	(2,449)
Total transactions with owners in their capacity as owners	-	118	(82)	(2,449)	(2,413)	-	(2,413)
Closing balance at 30 June 2016	119,725	(51,394)	34,605	411,169	514,105	966	515,071

(ii) Consolidated statement of changes in equity for the 12 months ended 31 December 2016 (cont'd)

Attributable to owners of the Company

	Share capital	Treasury shares	Other reserves	Accumulated profits	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 30 June 2016	119,725	(51,394)	34,605	411,169	514,105	966	515,071
Profit for the period	-	-	-	30,715	30,715	(2)	30,713
Share of other comprehensive income of an associate	-	-	(58)	-	(58)	-	(58)
Foreign currency translation	-	-	4,623	-	4,623	8	4,631
Other comprehensive income for the period, net of tax	-	-	4,565	-	4,565	8	4,573
Total comprehensive income for the period	-	-	4,565	30,715	35,280	6	35,286
<u>Contributions by and distributions to owners</u>							
Employee share option and award schemes -Equity compensation benefits	-	-	22	-	22	-	22
Purchase of treasury shares	-	(1,672)	-	-	(1,672)	-	(1,672)
Treasury shares reissued pursuant to employee share award scheme	-	1	(1)	-	-	-	-
Total transactions with owners in their capacity as owners	-	(1,671)	21	-	(1,650)	-	(1,650)
Closing balance at 30 September 2016	119,725	(53,065)	39,191	441,884	547,735	972	548,707

(ii) Consolidated statement of changes in equity for the 12 months ended 31 December 2016 (cont'd)

Attributable to owners of the Company

Group	Share capital	Treasury shares	Other reserves	Accumulated profits	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 30 September 2016	119,725	(53,065)	39,191	441,884	547,735	972	548,707
Profit for the period	-	-	-	28,536	28,536	(2)	28,534
Share of other comprehensive income of an associate	-	-	46	-	46	-	46
Foreign currency translation	-	-	7,783	-	7,783	15	7,798
Other comprehensive income for the period, net of tax	-	-	7,829	-	7,829	15	7,844
Total comprehensive income for the period	-	-	7,829	28,536	36,365	13	36,378
<u>Contributions by and distributions to owners</u>							
Employee share option and award schemes -Equity compensation benefits	-	-	19	-	19	-	19
Purchase of treasury shares	-	(2,636)	-	-	(2,636)	-	(2,636)
Dividends on ordinary shares	-	-	-	(3,247)	(3,247)	-	(3,247)
Total transactions with owners in their capacity as owners	-	(2,636)	19	(3,247)	(5,864)	-	(5,864)
<u>Others</u>							
Transfer from retained earnings to statutory reserve fund	-	-	44	(44)	-	-	-
Total others	-	-	44	(44)	-	-	-
Closing balance at 31 December 2016	119,725	(55,701)	47,083	467,129	578,236	985	579,221

(iii) Statement of changes in equity of the Company for the 12 months ended 31 December 2017

Attributable to owners of the Company

<u>Company</u>	<u>Share capital</u> <u>S\$'000</u>	<u>Treasury shares</u> <u>S\$'000</u>	<u>Capital reserve</u> <u>S\$'000</u>	<u>Accumulated profits</u> <u>S\$'000</u>	<u>Total equity</u> <u>S\$'000</u>
Opening balance at 1 January 2017	119,725	(55,701)	9,712	358,554	432,290
Profit for the period	-	-	-	12,238	12,238
<u>Contributions by and distributions to owners</u>					
Employee share option and award schemes - Equity compensation benefits	-	-	20	-	20
Total transactions with owners in their capacity as owners	-	-	20	-	20
Closing balance at 31 March 2017	119,725	(55,701)	9,732	370,792	444,548
Profit for the period	-	-	-	17,056	17,056
<u>Contributions by and distributions to owners</u>					
Employee share option & award schemes - Equity compensation benefits	-	-	7	-	7
Purchase of treasury shares	-	(1,847)	-	-	(1,847)
Treasury shares reissued pursuant to employee share option & award schemes	-	405	(28)	-	377
Dividends on ordinary shares	-	-	-	(3,227)	(3,227)
Total transactions with owners in their capacity as owners	-	(1,442)	(21)	(3,227)	(4,690)
Closing balance at 30 June 2017	119,725	(57,143)	9,711	384,621	456,914
Loss for the period	-	-	-	(3,074)	(3,074)
<u>Contributions by and distributions to owners</u>					
Treasury shares reissued pursuant to employee share option scheme	-	1,211	416	-	1,627
Dividends on ordinary shares	-	-	-	(153,298)	(153,298)
Total transactions with owners in their capacity as owners	-	1,211	416	(153,298)	(151,671)
Closing balance at 30 September 2017	119,725	(55,932)	10,127	228,249	302,169
Loss for the period	-	-	-	(8,119)	(8,119)
<u>Contributions by and distributions to owners</u>					
Treasury shares reissued pursuant to employee share option plans	-	666	240	-	906
Dividends on ordinary shares	-	-	-	(16,164)	(16,164)
Expiry of employee share options & awards	-	-	(5,562)	5,562	-
Purchase of treasury shares	-	(1,281)	-	-	(1,281)
Total transactions with owners in their capacity as owners	-	(615)	(5,322)	(10,602)	(16,539)
Closing balance at 31 December 2017	<u>119,725</u>	<u>(56,547)</u>	<u>4,805</u>	<u>209,528</u>	<u>277,511</u>

(iv) Statement of changes in equity of the Company for the 12 months ended 31 December 2016

Attributable to owners of the Company

<u>Company</u>	<u>Share capital</u> <u>S\$'000</u>	<u>Treasury shares</u> <u>S\$'000</u>	<u>Capital reserve</u> <u>S\$'000</u>	<u>Accumulated profits</u> <u>S\$'000</u>	<u>Total equity</u> <u>S\$'000</u>
Opening balance at 1 January 2016	119,725	(51,512)	9,695	363,498	441,406
Loss for the period	-	-	-	(1,579)	(1,579)
<u>Contributions by and distributions to owners</u>					
Employee share option and award schemes - Equity compensation benefits	-	-	59	-	59
Total transactions with owners in their capacity as owners	-	-	59	-	59
Closing balance at 31 March 2016	119,725	(51,512)	9,754	361,919	439,886
Profit for the period	-	-	-	832	832
<u>Contributions by and distributions to owners</u>					
Employee share option & award schemes - Equity compensation benefits	-	-	36	-	36
Treasury shares reissued pursuant to employee share award scheme	-	118	(118)	-	-
Dividends on ordinary shares	-	-	-	(2,449)	(2,449)
Total transactions with owners in their capacity as owners	-	118	(82)	(2,449)	(2,413)
Closing balance at 30 June 2016	119,725	(51,394)	9,672	360,302	438,305
Profit for the period	-	-	-	1,603	1,603
<u>Contributions by and distributions to owners</u>					
Employee share option & award scheme - Equity compensation benefits	-	-	22	-	22
Treasury shares reissued pursuant to employee share award scheme	-	1	(1)	-	-
Purchase of treasury shares	-	(1,672)	-	-	(1,672)
Total transactions with owners in their capacity as owners	-	(1,671)	21	-	(1,650)
Closing balance at 30 September 2016	119,725	(53,065)	9,693	361,905	438,258
Loss for the period	-	-	-	(104)	(104)
<u>Contributions by and distributions to owners</u>					
Employee share option & award scheme - Equity compensation benefits	-	-	19	-	19
Dividends on ordinary shares	-	-	-	(3,247)	(3,247)
Purchase of treasury shares	-	(2,636)	-	-	(2,636)
Total transactions with owners in their capacity as owners	-	(2,636)	19	(3,247)	(5,864)
Closing balance at 31 December 2016	<u>119,725</u>	<u>(55,701)</u>	<u>9,712</u>	<u>358,554</u>	<u>432,290</u>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 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.

During the quarter ended 31 December 2017, there has been no increase in the issued and paid-up share capital of the Company.

Share Options

During the quarter ended 31 December 2017, 2,213 options have lapsed while 949,745 options were exercised.

There are 9,821,118 options outstanding as at 31 December 2017 (31 December 2016: 13,319,775).

Share Awards

During the quarter ended 31 December 2017, there has been no movement for share awards.

There are no more share awards outstanding as at 31 December 2017 (31 December 2016: 62,774).

Treasury Shares

During the quarter ended 31 December 2017, the Company has purchased 767,900 shares held as treasury shares.

The number of treasury shares held by the Company as at 31 December 2017 is 79,585,734 (31 December 2016: 79,768,489).

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.

The total number of issued ordinary shares excluding treasury shares as at 31 December 2017 was 807,589,266 (31 December 2016: 807,406,511).

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 quarter ended 31 December 2017, 949,745 treasury shares were transferred to employees upon exercise of share options.

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

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

3. Where the figures have been audited or reviewed, the auditor's 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.

Except as disclosed in paragraph 5 below, the accounting policies have been consistently applied by the Group and the Company and are consistent with the audited financial statements as at 31 December 2016.

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.

In the current financial period, the Group adopted the new/ revised Financial Reporting Standards ("FRS") that are effective for annual periods beginning on or after 1 January 2017.

The following are the new or amended FRS that are relevant to the Group:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 7 <i>Disclosure Initiative</i>	1 January 2017
Amendments to FRS 12 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

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:-

- (a) Based on the weighted average number of ordinary shares on issue; and
 (b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Q4-17	Q4-16	YTD Q4-17	YTD Q4-16
Operating profit after exceptional items and tax before deducting non-controlling interests as a percentage of revenue	12.1%	8.0%	8.5%	4.2%
Operating profit after tax attributable to owners of the company as a percentage of issued capital and reserves at the end of the period	11.3%	4.9%	23.0%	9.4%
Earnings per ordinary share				
(a) Based on weighted average number of ordinary shares in issue (cents)	7.39	3.50	15.05	6.69
(b) On a fully diluted basis (cents)*	7.34	3.50	14.95	6.69

Earning per share have been computed based on the weighted average number of ordinary shares in issue during the period.

* For 4Q2016, the financial effect of share options issued has been disregarded in the calculation of dilutive earnings per ordinary share as the stock option exercise prices are above the average market price.

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 :

	Group		Company	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
Net Asset Value per Ordinary Share based on issued share capital at the end of the period (in cents)	65.44	71.62	34.36	53.54

- 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.**

Revenue and Profitability Analysis

FY2017 vs. FY2016

Revenue increased by S\$121.8 million (9.3%) year-on-year (“yoy”) to S\$1,426.9 million for FY2017 mainly due to higher sales volume for FY2017. Gross profit increased by S\$77.0 million (49.4%) yoy to S\$232.9 million for FY2017 mainly due to the increase in revenue, a change in product mix, continuous improvements in operational efficiency (better capacity utilization, manufacturing yield improvement and effective cost controls), lower inventory provisions and lower depreciation. This was partially offset by higher labour costs attributed to the higher production volume, higher bonus provision, and an increase in minimum wages imposed by the applicable local governmental authorities in the PRC. Correspondingly, gross profit margin increased from 11.9% for FY2016 to 16.3% for FY2017.

Net interest expense (interest income netted off with financial costs) decreased by S\$3.2 million (98.4%) yoy to S\$0.05 million for FY2017 as the Group improved from an average net debt position in FY2016 to a net cash position in FY2017.

Other income decreased by S\$8.2 million (45.4%) yoy to S\$9.9 million for FY2017. The higher other income in FY2016 was mainly due to a pre-tax gain of S\$10.5 million on the disposal of an investment in a startup company.

Total selling, distribution and administrative expenses decreased by S\$11.1 million (12.4%) yoy to S\$78.9 million for FY2017. This was mainly due to a S\$12.6 million yoy decline in bad debt written off and doubtful debt provisions.

Other expenses increased by S\$7.7 million (78.5%) yoy to S\$17.5 million for FY2017 mainly due to a S\$12.0 million yoy increase in net loss arising from net foreign exchange differences and fair value loss on derivatives. The increase was partially offset by a decrease in impairment losses on property, plant and equipment & intangible asset by S\$4.4 million yoy.

Income tax expense increased by S\$8.2 million (49.0%) yoy to S\$24.8 million for FY2017 mainly due to the increase in profit before tax. This was partially offset by the impact from a reduced effective tax rate of 17.0% for FY2017 (FY2016: 23.4%).

As a result of the above factors, the Group's net profit after tax increased by S\$67.0 million (122.8%) yoy to S\$121.5 million for FY2017.

4Q2017 vs. 4Q2016

Revenue increased by S\$135.0 million (37.8%) year-on-year (“yoy”) to S\$491.8 million for 4Q2017 mainly due to higher sales volume resulting from the mass production of certain projects in 4Q2017. Gross profit increased by S\$33.4 million (52.4%) yoy to S\$97.2 million for 4Q2017 mainly due to the increase in revenue, continuous improvements in operational efficiency (better capacity utilization, manufacturing yield improvement and effective cost controls), lower inventory provisions and lower depreciation. This was partially offset by higher labour costs attributed to the higher production volume, higher bonus provision, and an increase in minimum wages imposed by the applicable local governmental authorities in the PRC. Correspondingly, gross profit margin increased from 17.9% for 4Q2016 to 19.8% for 4Q2017.

Net interest expense (interest income netted off with financial costs) decreased by S\$0.4 million (68.3%) yoy to S\$0.2 million for 4Q2017, as the Group reported a higher net cash position for 4Q2017 as compared to 4Q2016.

Other income increased by S\$0.6 million (20.3%) yoy to S\$3.3 million for 4Q2017 mainly due to higher sales of scrap material.

Total selling, distribution and administrative expenses decreased by S\$8.8 million (27.8%) yoy to S\$23.0 million for 4Q2017. This was mainly due to a S\$12.6 million yoy decline in bad debt written off and doubtful debt provisions. The decrease was partially offset by higher marketing expenses incurred to grow the Group’s business.

Other expenses increased by S\$7.9 million from an income of S\$0.6 million for 4Q2016 to an expense of S\$7.3 million for 4Q2017. The increase was mainly due to a net loss of S\$5.8 million for 4Q2017 derived from net foreign exchange loss and fair value gain on derivatives resulting from the depreciation of USD against RMB and SGD, as compared to a gain of S\$5.3 million for 4Q2016. The increase was partially offset by a S\$2.7 million yoy decrease in impairment losses on property, plant and equipment & intangible asset.

Income tax expense increased by S\$4.2 million (67.0%) yoy to S\$10.5 million for 4Q2017 mainly due to the increase in profit before tax. This was partially offset by the impact from a reduced effective tax rate of 15.0% for 4Q2017 (4Q2016: 18.1%).

As a result of the above factors, the Group’s net profit after tax increased by S\$31.1 million (108.9%) yoy to S\$59.6 million for 4Q2017.

Balance Sheet Analysis

The net book value of property, plant and equipment decreased by S\$44.5 million (12.4%) from S\$359.6 million as at 31 December 2016 to S\$315.1 million as at 31 December 2017 mainly due to depreciation amounting S\$72.6 million. This was partially offset by additions amounting S\$29.4 million.

Investment in associates increased by S\$4.2 million (164.0%) from S\$2.5 million as at 31 December 2016 to S\$6.7 million as at 31 December 2017 mainly due to the investment of a 20% shareholding in 深圳市西啡科技有限公司 in December 2017. Please refer to the Company’s announcement released via SGXNET on 20 December 2017 for further details.

The investment in a joint venture of S\$0.3 million as at 31 December 2017 represents the carrying amount of the Group’s investment in a jointly controlled entity, RH Packaging Group Limited. This joint venture was incorporated in Hong Kong and is in the business of providing packaging solutions to the consumer electronics industry.

Deferred tax assets increased by S\$4.1 million (19.0%) from S\$21.6 million as at 31 December 2016 to S\$25.7 million as at 31 December 2017 mainly due to the recognition of deferred tax assets on provisions.

Inventories increased by S\$35.6 million (24.9%) from S\$142.9 million as at 31 December 2016 to S\$178.5 million as at 31 December 2017 mainly due to a buildup of inventory for 1Q2018, where sales for 1Q2018 are expected to be higher than 1Q2017.

Notes receivable, trade and other receivables increased by S\$91.0 million (25.1%) from S\$361.8 million as at 31 December 2016 to S\$452.8 million as at 31 December 2017 mainly due to an increase in trade and notes receivable resulting from the higher sales in 4Q2017 as compared to 4Q2016.

Prepaid operating expenses decreased by S\$2.7 million (29.0%) from S\$9.1 million as at 31 December 2016 to S\$6.4 million as at 30 December 2017 mainly due to a decrease in prepayments for the purchase of property, plant and equipment.

Current and non-current bank deposits totaling S\$4.9 million were restricted in its use as at 31 December 2017. These were mainly held for customs clearance purposes.

Notes payable, trade and other payables increased by S\$173.7 million (70.2%) from S\$247.7 million as at 31 December 2016 to S\$421.4 million as at 31 December 2017. This was mainly due to an increase in purchases resulting from (i) higher sales for 4Q2017 as compared to 4Q2016 and (ii) higher inventory buildup for 1Q2018.

Accrued operating expenses increased by S\$3.7 million (4.4%) from S\$85.5 million as at 31 December 2016 to S\$89.2 million as at 31 December 2017 mainly due to an increase in accruals for bonuses.

Current and non-current loans and borrowings increased by S\$109.6 million (114.7%) from S\$95.6 million as at 31 December 2016 to S\$205.2 million as at 31 December 2017. Cash and cash equivalents and restricted bank deposits increased by S\$162.1 million (134.4%) from S\$120.7 million as at 31 December 2016 to S\$282.8 million as at 31 December 2017. This resulted in a net cash position of S\$77.6 million (31 December 2016: S\$25.1 million).

Income tax payable increased by S\$9.7 million (81.6%) from S\$11.9 million as at 31 December 2016 to S\$21.6 million as at 31 December 2017 mainly due to the tax payable for one PRC subsidiary was accrued based on 25% while pending approval on the concessionary tax rate of 15%.

Cash Flows Analysis

Net cash generated from operating activities before working capital changes was S\$92.6 million for 4Q2017. Net cash generated from operating activities for 4Q2017 amounted to S\$67.4 million.

Net cash used in investing activities was S\$9.0 million for 4Q2017, mainly due to payment made for the purchase of capital expenditure amounting to S\$6.7 million and investment in an associated company of S\$4.1 million.

Net cash used in financing activities was S\$74.8 million for 4Q2017, mainly due to the net repayment of loans and borrowings amounting to S\$54.8 million and dividend payment of S\$16.2 million.

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

In the Group's 3Q2017 results announcement made on 6 November 2017, the Group guided as follows:

- The Group expects higher revenue and profit for 4Q2017 as compared to 4Q2016.
- The Group expects higher revenue and profit for 4Q2017 as compared to 3Q2017.
- The Group expects higher revenue and profit for 2H2017 as compared to 1H2017.
- The Group expects higher revenue and profit for FY2017 as compared to FY2016.

In line with our guidance, the results achieved are summarised below:

(S\$'000)	3Q2017	4Q2017	4Q2016	2H2017	1H2017	FY2017	FY2016
Revenue	411,336	491,818	356,780	903,154	523,712	1,426,866	1,305,071
Net profit after tax	38,368	59,618	28,534	97,986	23,497	121,483	54,520

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.

Within the global smartphone industry, the International Data Corporation ("IDC") expects the worldwide smartphone market will reach a total of 1.49 billion units shipped in 2017, up 1.2% from the 1.47 billion units shipped in 2016. From there, shipments are expected to reach 1.71 billion units in 2021, resulting in a CAGR of 3.0%¹.

In a separate study, the IDC expects worldwide spending on the Internet of Things ("IoT") to reach \$772.5 billion in 2018, an increase of 14.6% over the \$674.0 billion that will be spent in 2017².

Taking into account the industry outlook for the smartphone and consumer electronics markets and to overcome the industry and business challenges, the Group will focus its efforts on:

- Targeted business development initiatives to further diversify the Group's customer base
- Increasing order allocation amongst existing customers
- Enhancing capacity utilization and driving manufacturing yield improvement
- Increasing automation across all manufacturing locations
- Exploring inorganic growth initiatives that are synergistic to the Group's operations

The Group continues to strive for sustainable growth and be one of the top contract manufacturers in Asia, by providing a one-stop dedicated solution to fulfill its customers' needs - from product development, component manufacturing to complete product assembly.

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

- The Group expects higher revenue and profit in 1Q2018 as compared to 1Q2017.
- The Group expects lower revenue and profit in 1Q2018 as compared to 4Q2017.
- The Group expects higher revenue and profit in FY2018 as compared to FY2017.

¹ IDC, Worldwide Smartphone Forecast Update, 2017–2021, December 2017

² IDC, IDC Forecasts Worldwide Spending on the Internet of Things to Reach \$772 Billion in 2018, December 2017

11. Dividend

(a) Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

Name of Dividend	:	Final Dividend
Dividend Type	:	Cash
Dividend Rate	:	4.0 cents per ordinary share
Tax rate	:	Exempt from tax (One-tier corporate tax system)
Total amount payable	:	S\$32.304 million

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	:	Final Dividend
Dividend Type	:	Cash
Dividend Rate	:	0.4 cents per ordinary share
Tax rate	:	Exempt from tax (One-tier corporate tax system)
Total amount payable	:	S\$3.230 million

(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.

13. Aggregate value of interested persons transactions entered into during the quarter ended 31 December 2017

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than \$100,000 and transactions conducted under the shareholders mandate pursuant to rule 920)	Aggregate value of all interested person transactions conducted under the shareholders mandate pursuant to rule 920 (excluding transactions less than \$100,000)
Receipt of indemnification of an obligation guaranteed by Eagle Ventures Limited*	\$8,377,641	N.A.

* No general mandate has been obtained from shareholders for interested persons transactions with this entity. The obligation guaranteed by Eagle Ventures Limited was fully settled and discharged as of 31 December 2017.

14. Confirmation of undertakings from directors and executive officers pursuant to Rule 720(1) of SGX-ST Listing Manual

Pursuant to Listing Rule 720(1), the Company has procured undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 of the SGX-ST Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. 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 immediate preceding year.

By Activities

	PPIM S\$'000	MDF S\$'000	Assembly S\$'000	Eliminations S\$'000	Consolidated S\$'000
2017 December YTD					
Segment Revenue					
Sales to external customers	932,325	72,514	422,027	-	1,426,866
Intersegmental sales	43,248	59,290	-	(102,538)	-
	<u>975,573</u>	<u>131,804</u>	<u>422,027</u>	<u>(102,538)</u>	<u>1,426,866</u>
Profit/ (loss) from operations	137,111	3,434	13,435	-	153,980
Interest income					3,851
Other income					9,919
Financial costs					(3,904)
Other expenses					(17,536)
Share of results of an associate					100
Share of results of a joint venture					(98)
Profit before tax					<u>146,312</u>
Income tax expense					<u>(24,829)</u>
Profit, net of tax					<u><u>121,483</u></u>
Depreciation of property, plant and equipment	66,930	3,844	1,840		72,614
Amortization of deferred capital grant	(676)	(5)	-		(681)
Amortization of intangible asset	-	-	68		68
Amortization of land use rights	262	-	-		262
Provision for warranty costs	-	-	27		27
Inventory provisions	8,167	402	(667)		7,902
Inventories written back	(559)	-	(20)		(579)
Property, plant and equipment written off	159	-	18		177
(Reversal of impairment)/ impairment loss of property, plant and equipment	(687)	(8)	220		(475)
Write-back on doubtful receivables	(752)	(5)	-		(757)
Reversal of allowance on non-cancellable purchase commitments	(877)	-	(1,187)		(2,064)
Trade/ other payables waived	(1,014)	-	(16)		(1,030)
Onerous contract provisions/ charges	-	-	1,328		1,328
Other non-cash items	(279)	(22)	(127)		(428)

By Activities

	PPIM S\$'000	MDF S\$'000	Assembly S\$'000	Eliminations S\$'000	Consolidated S\$'000
2016 December YTD					
Segment Revenue					
Sales to external customers	788,710	89,529	426,832	-	1,305,071
Intersegmental sales	53,299	69,926	-	(123,225)	-
	<u>842,009</u>	<u>159,455</u>	<u>426,832</u>	<u>(123,225)</u>	<u>1,305,071</u>
Profit/ (loss) from operations	72,062	4,064	(10,324)	-	65,802
Interest income					899
Other income					18,158
Financial costs					(4,142)
Other expenses					(9,822)
Share of results of an associate					285
Profit before tax					<u>71,180</u>
Income tax expense					<u>(16,660)</u>
Profit, net of tax					<u><u>54,520</u></u>
Depreciation of property, plant and equipment	74,030	4,230	5,385		83,645
Amortization of deferred capital grant	(437)	-	-		(437)
Amortization of intangible asset	-	-	143		143
Adjustment to amortization of intangible asset	-	-	(2,092)		(2,092)
Amortization of land use rights	267	-	-		267
Reversal of provision for warranty costs	-	-	(139)		(139)
Inventory provisions	7,457	847	14,999		23,303
Inventories (written back)/ written off	(586)	(9)	7		(588)
Property, plant and equipment written off	20	-	-		20
Impairment loss of property, plant and equipment	3,908	20	45		3,973
Impairment loss on doubtful receivables	3,763	-	2,783		6,546
Bad debts written off	-	-	5,338		5,338
Net gain on disposal of investment securities	(10,470)	-	-		(10,470)
Allowance on non-cancellable purchase commitments	1,453	-	1,519		2,972
Trade/ other payables waived	(1,494)	-	(20)		(1,514)
Other non-cash items	115	13	62		190

By Geographical Markets

	Segment Revenue	
	2017 S\$'000	2016 S\$'000
Asia	975,136	831,265
Europe	104,616	146,150
United States and other parts of Americas	347,114	327,656
	1,426,866	1,305,071

16. 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 Note 8.

17. A breakdown of the sales as follows:-

	2017 S\$'000 Group	2016 S\$'000 Group	% Increase/ Decrease Group
(a) Sales reported for first half year	523,712	560,951	(6.6%)
(b) Operating profit/ (loss) after tax before deducting non-controlling interests reported for first half year	23,497	(4,728)	n.m.
(c) Sales reported for second half year	903,154	744,120	21.4%
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	97,986	59,248	65.4%

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Total Annual Dividend

	2017 (S\$'000)	2016 (S\$'000)
Ordinary – Interim	169,462	3,247
Ordinary – Final	32,304	3,227
Ordinary – Total	201,766	6,474

19. 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 office or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.:-

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Yao Hsiao Kuang	71	Brother of Yao Hsiao Tung, Brother-in-law of Wong Huey Fang	<p><u>Position:</u> Senior Director, Supply Chain Management. This position was first held with effect from 26 Dec 2017.</p> <p><u>Duties:</u> He is responsible for executing and supporting the establishment of strategies in Supply Chain Management for the Group, conducting key commodities negotiations, and conducting supplier and site sourcing audits for the Group.</p>	He was promoted to Senior Director, Supply Chain Management from Director, Supply Chain Management on 26 Dec 2017. There is no change to the duties held.
Carrie Hung Han-I	48	Niece of Yao Hsiao Tung and niece-in-law of Wong Huey Fang	<p><u>Position:</u> Finance Vice President. This position was first held with effect from 1 Jun 2017.</p> <p><u>Duties:</u> She is responsible for overseeing financial related matters, including</p> <ul style="list-style-type: none"> - Execute finance & treasury strategies - Drive improvement on cost controls - Direct all aspects of tax, accounting, analysis, budget management and daily finance operations. 	She was promoted to Finance Vice President from Senior Financial Controller on 1 Jun 2017, pursuant to which her role is expanded to take charge of operation finance after her promotion.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Yao Chia Juei	42	Niece of Yao Hsiao Tung and niece-in-law of Wong Huey Fang	<p><u>Position:</u> General Manager of Hi-P (Suzhou) Electronics Technology Co., Ltd. ("the Suzhou Mechanical Plant"). This position was first held with effect from 26 Jun 2016.</p> <p><u>Duties:</u> She is responsible for managing and leading all operational related matters of the Suzhou Mechanical Plant, including production, supply chain management, quality process optimization, health & safety compliances, human resource management and administration.</p>	During the year, there is no change to the duties and position held.

BY ORDER OF THE BOARD

Mr Yao Hsiao Tung

Executive Chairman and Chief Executive Officer