

## FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FULL YEARLY RESULTS

### Issuer & Securities

#### Issuer/ Manager

VALUETRONICS HOLDINGS LIMITED

#### Securities

VALUETRONICS HOLDINGS LIMITED - BMG9316Y1084 - BN2

#### Stapled Security

No

### Announcement Details

#### Announcement Title

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:

Condensed Consolidated Financial Statements and Dividend Announcement for the Six Months and Full Year Ended 31 March 2024.

### Additional Details

#### For Financial Period Ended

31/03/2024

### Attachments



[VHL-FY2024 Results.pdf](#)



**VALUETRONICS HOLDINGS LIMITED**  
(Incorporated in Bermuda)  
(Co. Reg. No: 38813)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX MONTHS AND FULL YEAR ENDED 31 MARCH 2024**

**A. CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS AND FULL YEAR ENDED 31 MARCH 2024**

	Note	The Group					
		6 months ended 31 March			12 months ended 31 March		
		2024 (Unaudited)	2023 (Unaudited)	Change	2024 (Unaudited)	2023 (Audited)	Change
		HK\$'000	HK\$'000	%	HK\$'000	HK\$'000	%
<b>Revenue</b>	6	778,543	962,143	-19.1	1,669,892	2,013,688	-17.1
Cost of sales		(652,282)	(831,675)	-21.6	(1,404,738)	(1,751,993)	-19.8
<b>Gross profit</b>		<b>126,261</b>	<b>130,468</b>	<b>-3.2</b>	<b>265,154</b>	<b>261,695</b>	<b>1.3</b>
Selling and distribution expenses		(9,029)	(9,812)	-8.0	(19,505)	(21,870)	-10.8
Administrative expenses		(75,850)	(72,269)	5.0	(141,726)	(138,946)	2.0
Other income and gains, net		35,704	19,111	86.8	64,535	32,040	101.4
<b>Operating profit</b>		<b>77,086</b>	<b>67,498</b>	<b>14.2</b>	<b>168,458</b>	<b>132,919</b>	<b>26.7</b>
Finance costs		(304)	(258)	17.8	(537)	(508)	5.7
<b>Profit before income tax</b>		<b>76,782</b>	<b>67,240</b>	<b>14.2</b>	<b>167,921</b>	<b>132,411</b>	<b>26.8</b>
Income tax credit/(expense)	9	665	(2,106)	NM	(8,337)	(9,421)	-11.5
<b>Profit for the period</b>		<b>77,447</b>	<b>65,134</b>	<b>18.9</b>	<b>159,584</b>	<b>122,990</b>	<b>29.8</b>
<b>Attributable to:</b>							
Owners of the Company		77,447	65,134	18.9	159,584	122,990	29.8
<b>Earnings per share for profit attributable to owners of the Company for the period</b>							
		HK cents	HK cents		HK cents	HK cents	
- Basic	10	18.8	15.6	20.5	38.7	29.1	33.0
- Diluted	10	18.8	15.6	20.5	38.6	29.1	32.6

**B. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS AND FULL YEAR ENDED 31 MARCH 2024**

	The Group					
	6 months ended 31 March			12 months ended 31 March		
	2024 (Unaudited)	2023 (Unaudited)	Change	2024 (Unaudited)	2023 (Audited)	Change
	HK\$'000	HK\$'000	%	HK\$'000	HK\$'000	%
<b>Profit for the period</b>	<b>77,447</b>	<b>65,134</b>	<b>18.9</b>	<b>159,584</b>	<b>122,990</b>	<b>29.8</b>
<b>Other comprehensive income / (loss), net of tax:</b>						
<i>Items that may be reclassified to profit or loss:</i>						
Currency translation differences	321	(3,554)	NM	(10,069)	(19,174)	-47.5
<b>Total comprehensive income for the period</b>	<b>77,768</b>	<b>61,580</b>	<b>26.3</b>	<b>149,515</b>	<b>103,816</b>	<b>44.0</b>
<b>Attributable to:</b>						
Owners of the Company	77,768	61,580	26.3	149,515	103,816	44.0

**Note:**

NM: Not meaningful

**C. CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2024**

	Note	The Group		The Company	
		At 31.3.2024 (Unaudited)	At 31.3.2023 (Audited)	At 31.3.2024 (Unaudited)	At 31.3.2023 (Audited)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	261,883	286,039	-	-
Right-of-use assets		40,536	42,909	-	-
Investment in subsidiaries		-	-	83,330	83,330
Deferred tax assets		306	-	-	-
Financial assets at fair value through profit or loss	7	21,600	22,200	-	-
Other non-current assets		11,505	18,009	-	-
<b>Total non-current assets</b>		<b>335,830</b>	<b>369,157</b>	<b>83,330</b>	<b>83,330</b>
<b>Current assets</b>					
Inventories		173,050	203,625	-	-
Trade receivables		381,905	463,811	-	-
Other receivables		7,049	6,845	-	-
Prepayments and other current assets		26,584	22,535	417	314
Due from subsidiaries		-	-	481,119	468,987
Cash and cash equivalents		1,164,480	1,009,930	3,394	3,795
<b>Total current assets</b>		<b>1,753,068</b>	<b>1,706,746</b>	<b>484,930</b>	<b>473,096</b>
<b>Total assets</b>		<b>2,088,898</b>	<b>2,075,903</b>	<b>568,260</b>	<b>556,426</b>
<b>EQUITY</b>					
Share capital	14	43,563	43,563	43,563	43,563
Treasury shares		(78,986)	(64,504)	(78,986)	(64,504)
Reserves		1,435,006	1,382,936	603,235	576,902
<b>Total equity</b>		<b>1,399,583</b>	<b>1,361,995</b>	<b>567,812</b>	<b>555,961</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Deferred income tax liabilities		-	474	-	-
Contract liabilities		4,230	-	-	-
<b>Total non-current liabilities</b>		<b>4,230</b>	<b>474</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>					
Trade payables		237,272	233,565	-	-
Other payables and accruals		375,154	397,681	448	465
Contract liabilities		22,596	30,553	-	-
Current income tax liabilities		50,063	51,635	-	-
<b>Total current liabilities</b>		<b>685,085</b>	<b>713,434</b>	<b>448</b>	<b>465</b>
<b>Total liabilities</b>		<b>689,315</b>	<b>713,908</b>	<b>448</b>	<b>465</b>
<b>Total equity and liabilities</b>		<b>2,088,898</b>	<b>2,075,903</b>	<b>568,260</b>	<b>556,426</b>
<b>Net current assets</b>		<b>1,067,983</b>	<b>993,312</b>	<b>484,482</b>	<b>472,631</b>
<b>Total assets less current liabilities</b>		<b>1,403,813</b>	<b>1,362,469</b>	<b>567,812</b>	<b>555,961</b>

**D. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FULL YEAR ENDED 31 MARCH 2024**

(Unaudited)  The Group	Attributable to the owners of the Company								
	Reserves								Total equity
	Share capital	Treasury share	Share premium	Share-based payment reserve	Currency translation reserve	Statutory reserve	Retained earnings	Total reserves	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 April 2023	43,563	(64,504)	164,515	16,768	3,495	5,506	1,192,652	1,382,936	1,361,995
Total comprehensive income for the period	-	-	-	-	(10,069)	-	159,584	149,515	149,515
Dividends paid (note 11)	-	-	-	-	-	-	(99,171)	(99,171)	(99,171)
Share-based compensation	-	-	-	1,726	-	-	-	1,726	1,726
Forfeiture of share option	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	(14,482)	-	-	-	-	-	-	(14,482)
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
Changes in equity for the period	-	(14,482)	-	1,726	(10,069)	-	60,413	52,070	37,588
<b>Balance at 31 March 2024</b>	<b>43,563</b>	<b>(78,986)</b>	<b>164,515</b>	<b>18,494</b>	<b>(6,574)</b>	<b>5,506</b>	<b>1,253,065</b>	<b>1,435,006</b>	<b>1,399,583</b>
(Audited)									
Balance at 1 April 2022	43,563	(11,138)	164,515	15,000	22,669	5,244	1,128,750	1,336,178	1,368,603
Total comprehensive income for the period	-	-	-	-	(19,174)	-	122,990	103,816	103,816
Dividends paid (note 11)	-	-	-	-	-	-	(59,434)	(59,434)	(59,434)
Share-based compensation	-	-	-	2,376	-	-	-	2,376	2,376
Forfeiture of share option	-	-	-	(608)	-	-	608	-	-
Purchase of treasury shares	-	(53,366)	-	-	-	-	-	-	(53,366)
Transfer to statutory reserve	-	-	-	-	-	262	(262)	-	-
Changes in equity for the period	-	(53,366)	-	1,768	(19,174)	262	63,902	46,758	(6,608)
<b>Balance at 31 March 2023</b>	<b>43,563</b>	<b>(64,504)</b>	<b>164,515</b>	<b>16,768</b>	<b>3,495</b>	<b>5,506</b>	<b>1,192,652</b>	<b>1,382,936</b>	<b>1,361,995</b>

**D. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FULL YEAR ENDED 31 MARCH 2024 (CONT'D)**

(Unaudited)  The Company	Reserves							
	Share capital	Treasury Share	Share premium	Share-based payment reserve	Contributed surplus	Retained earnings	Total reserves	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 April 2023	43,563	(64,504)	164,515	16,768	67,239	328,380	576,902	555,961
Total comprehensive income for the period	-	-	-	-	-	123,778	123,778	123,778
Dividends paid (note 11)	-	-	-	-	-	(99,171)	(99,171)	(99,171)
Share-based compensation	-	-	-	1,726	-	-	1,726	1,726
Forfeiture of share option	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	(14,482)	-	-	-	-	-	(14,482)
Changes in equity for the period	-	(14,482)	-	1,726	-	24,607	26,333	11,851
<b>Balance at 31 March 2024</b>	<b>43,563</b>	<b>(78,986)</b>	<b>164,515</b>	<b>18,494</b>	<b>67,239</b>	<b>352,987</b>	<b>603,235</b>	<b>567,812</b>
<b>(Audited)</b>								
Balance at 1 April 2022	43,563	(11,138)	164,515	15,000	67,239	291,392	538,146	570,571
Total comprehensive income for the period	-	-	-	-	-	95,814	95,814	95,814
Dividends paid (note 11)	-	-	-	-	-	(59,434)	(59,434)	(59,434)
Share-based compensation	-	-	-	2,376	-	-	2,376	2,376
Forfeiture of share option	-	-	-	(608)	-	608	-	-
Purchase of treasury shares	-	(53,366)	-	-	-	-	-	(53,366)
Changes in equity for the period	-	(53,366)	-	1,768	-	36,988	38,756	(14,610)
<b>Balance at 31 March 2023</b>	<b>43,563</b>	<b>(64,504)</b>	<b>164,515</b>	<b>16,768</b>	<b>67,239</b>	<b>328,380</b>	<b>576,902</b>	<b>555,961</b>

**E. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 MARCH 2024**

	The Group		The Group	
	6 months ended 31 March		year ended 31 March	
	2024	2023	2024	2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Cash flows from operating activities</b>				
Profit before income tax	76,782	67,240	167,921	132,411
Adjustments for :				
Depreciation of the right-of-use assets	535	537	1,083	1,621
Depreciation on property, plant and equipment	20,963	24,163	43,752	53,397
Gain on disposals of property, plant and equipment	(991)	(1,478)	(994)	(1,858)
Provision for impairment losses on financial assets	221	-	221	-
Share-based compensation	854	992	1,726	2,376
Interest income, net	(29,551)	(15,799)	(55,191)	(21,238)
	<b>68,813</b>	<b>75,655</b>	<b>158,518</b>	<b>166,709</b>
Changes in working capital:				
Inventories	14,475	56,244	30,575	69,883
Trade receivables	2,856	(24,157)	81,685	(33,130)
Other receivables	3,264	(4,925)	(204)	(2,654)
Prepayments and other current assets	3,356	16,281	(4,179)	13,375
Trade payables	(53,929)	(81,672)	3,707	(29,168)
Other payables and accruals	11,499	22,720	(22,527)	11,694
Contract liabilities	(2,390)	4,673	(3,727)	6,254
<b>Net cash generated from operations</b>	<b>47,944</b>	<b>64,819</b>	<b>243,848</b>	<b>202,963</b>
Income tax paid	(7,381)	(4,341)	(10,148)	(4,790)
<b>Net cash generated from operating activities</b>	<b>40,563</b>	<b>60,478</b>	<b>233,700</b>	<b>198,173</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(6,949)	(9,628)	(21,083)	(34,627)
Proceeds from disposals of property, plant and equipment	1,119	2,157	1,597	2,563
Interest received	29,551	15,799	55,191	21,238
<b>Net cash generated from / (used in) investing activities</b>	<b>23,721</b>	<b>8,328</b>	<b>35,705</b>	<b>(10,826)</b>
<b>Cash flows from financing activities</b>				
Dividend paid	(32,962)	(16,765)	(99,171)	(59,434)
Purchase of treasury shares	(13,051)	(21,917)	(14,482)	(53,366)
<b>Net cash used in financing activities</b>	<b>(46,013)</b>	<b>(38,682)</b>	<b>(113,653)</b>	<b>(112,800)</b>
<b>Net increase in cash and cash equivalents</b>	<b>18,271</b>	<b>30,124</b>	<b>155,752</b>	<b>74,547</b>
Effect of foreign exchange rate changes	3,042	495	(1,202)	(1,282)
<b>Cash and cash equivalents at beginning of the period</b>	<b>1,143,167</b>	<b>979,311</b>	<b>1,009,930</b>	<b>936,665</b>
<b>Cash and cash equivalents at end of the period</b>	<b>1,164,480</b>	<b>1,009,930</b>	<b>1,164,480</b>	<b>1,009,930</b>



## F. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1 Corporate information

Valuetronics Holdings Limited (the "Company") (Registration number: 38813) was incorporated in Bermuda on 18 August 2006 under the Companies Act 1981 of Bermuda as an exempted company with limited liability. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda. The address of its principal place of business is Unit 9-11, 7/F., Technology Park, No. 18 On Lai Street, Shatin, New Territories, Hong Kong. The Company's shares are listed on the Singapore Exchange Securities Trading Limited (the "SGX-ST"). These condensed consolidated financial statements as at and for the six months and full year ended 31 March 2024 comprise the Company and its subsidiaries (collectively, the Group). The Group is a vertically integrated Electronics Manufacturing Services ("EMS") provider.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in Note 16 to the annual financial statements for the year ended 31 March 2023.

These condensed consolidated financial statements have been presented in thousands of HK dollar ("HK\$") unless otherwise stated.

The condensed consolidated financial statements have not been audited or reviewed by the Company's auditors.

### 2 Basis of preparation

The condensed consolidated financial statements for the six months and year ended 31 March 2024 has been prepared in accordance with IAS 34, "Interim financial reporting". The condensed interim financial statements do not include all the information required for a complete set of financial statements. Accordingly, the condensed consolidated financial statements for the six months should be read in conjunction with the annual financial statements for the year ended 31 March 2023, which have been prepared in accordance with the International Financial Reporting Standards ("IFRSs").

### 3 Accounting policies

In addition to those described below, the accounting policies applied are consistent with those of the annual financial statements for the financial year ended 31 March 2023, as described in those annual financial statements.

#### (a) Adoption of new and amended standards

The Group has applied the following new standards and amendments to standards which are mandatory for the financial year beginning on or after 1 April 2023:

- |   |  |
|---|--|
| • IFRS 17   | Insurance Contracts  |
| • Amendments to IFRS 16                             | Lease Liability in a Sale and Leaseback  |
| • Amendments to IAS 1 and IFRS Practice Statement 2 | Disclosure of Accounting Policies  |
| • Amendments to IAS 7 and IFRS 7                    | Supplier finance   |
| • Amendments to IAS 1                               | Classification of Liabilities as Current or Non-current                          |
| • Amendments to IAS 1                               | Non-current Liabilities with Covenant  |
| • Amendments to IAS 8                               | Definition of Accounting Estimates   |
| • Amendments to IAS 12                              | Deferred Tax related to Assets and Liabilities arising from a Single Transaction |
| • Amendments to IAS 12                              | International Tax Reform – Pillar Two Model Rules                                |

The adoption of the above amendments to standards, apart from the Amendments to IAS 12 International Tax Reform – Pillar Two Model Rules, does not have any significant financial impact to the results and financial position of the Group and the Company. For the Amendments to IAS 12 International Tax Reform – Pillar Two Model Rules, the major geographies that the Group operates in has not enacted BEPS Pillar Two. The Group will assess the financial impact when the standard is close to enactment.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 3 Accounting policies (Continued)

#### (b) New standards, amendments to standards and interpretations not yet effective

The following are new/revised standards and amendments to existing standards that have been published and are relevant and mandatory for the Group's accounting periods beginning on or after 1 April 2024, but have not been early adopted.

- |                                    |  |
|------------------------------------|--|
| • Amendments to IAS 21             | Lack of Exchangeability <sup>(1)</sup>   |
| • Amendments to IFRS 10 and IAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>(2)</sup> |

<sup>(1)</sup> Effective for the accounting period beginning on or after 1 April 2025

<sup>(2)</sup> Effective date to be determined

These amendments to existing standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

### 4 Estimates

The preparation of condensed consolidated financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were mostly same as those that applied to the consolidated financial statements for the year ended 31 March 2023.

### 5 Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk.

The condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 March 2023.

There have been no significant changes in any risk management policies since the year ended 31 March 2023.

### 6 Revenue and segment information

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

During the period the Group has two reportable segments as follows:

- Consumer Electronics – consumer electronics products
- Industrial and Commercial Electronics – industrial and commercial electronics products

**F. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**6 Revenue and segment information (Continued)**

Depreciation, amortisation, capital expenditure, other non-cash expenses and other assets and liabilities cannot be directly attributable to individual segments and it is impractical to arbitrarily allocate them to the segments. Segment assets and liabilities is evaluated based on the total assets and total liabilities in the balance sheet.

(Unaudited)	<b>Consumer Electronics</b> HK\$'000	<b>Industrial and Commercial Electronics</b> HK\$'000	<b>Total</b> HK\$'000
<b>For the 6 months ended 31 March 2024</b>			
Revenue (from external customers)	183,142	595,401	778,543
Timing of revenue recognition			
- at a point in time	182,909	588,763	771,672
- over time	233	6,638	6,871
Segment profit	12,366	109,487	121,853

(Unaudited)	<b>Consumer Electronics</b> HK\$'000	<b>Industrial and Commercial Electronics</b> HK\$'000	<b>Total</b> HK\$'000
<b>For the 6 months ended 31 March 2023</b>			
Revenue (from external customers)	187,277	774,866	962,143
Timing of revenue recognition			
- at a point in time	187,196	772,876	960,072
- over time	81	1,990	2,071
Segment profit	12,078	115,832	127,910

**F. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**6 Revenue and segment information (Continued)**

(Unaudited)	Consumer Electronics HK\$'000	Industrial and Commercial Electronics HK\$'000	Total HK\$'000
<b>For the year ended 31 March 2024</b>			
Revenue (from external customers)	417,900	1,251,992	1,669,892
Timing of revenue recognition			
- at a point in time	417,640	1,240,119	1,657,759
- over time	260	11,873	12,133
Segment profit	32,234	224,414	256,648
<b>Assets and liabilities</b>			
Unallocated assets			2,088,898
<b>Total assets</b>			2,088,898
Unallocated liabilities			689,315
<b>Total liabilities</b>			689,315
<b>For the year ended 31 March 2023</b>			
Revenue (from external customers)	433,366	1,580,322	2,013,688
Timing of revenue recognition			
- at a point in time	433,285	1,576,249	2,009,534
- over time	81	4,073	4,154
Segment profit	28,294	228,202	256,496
<b>Assets and liabilities</b>			
Unallocated assets			2,075,903
<b>Total assets</b>			2,075,903
Unallocated liabilities			713,908
<b>Total liabilities</b>			713,908

## F. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 6 Revenue and segment information (Continued)

The revenue from external parties reported is measured in a manner consistent with that in the condensed interim consolidated income statement.

Reconciliation of segment profit to profit for the period:

	For the 6 months ended 31 March		For the year ended 31 March	
	2024	2023	2024	2023
	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Audited) HK\$'000
Segment profit	121,853	127,910	256,648	256,496
Interest income	29,551	15,799	55,191	21,238
Unallocated corporate expenses				
- staff costs	(65,449)	(63,804)	(122,180)	(120,276)
- income tax credit/(expense)	665	(2,106)	(8,337)	(9,421)
- others	(9,173)	(12,665)	(21,738)	(25,047)
Profit for the period	<u>77,447</u>	<u>65,134</u>	<u>159,584</u>	<u>122,990</u>

Geographical information:

	Revenue				Non-current assets (other than financial instruments)	
	For the 6 months ended 31 March		For the year ended 31 March		As at 31 March 2024	As at 31 March 2023
	2024	2023	2024	2023	2024	2023
	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Audited) HK\$'000	(Unaudited) HK\$'000	(Audited) HK\$'000
United States of America	336,748	416,743	665,088	857,272	-	-
People's Republic of China (the "PRC")	135,516	154,579	309,944	315,796	97,035	120,127
Poland	66,419	106,405	155,197	207,140	-	-
Taiwan	62,397	56,255	132,161	72,932	-	-
Hong Kong	36,027	64,196	95,803	162,074	16,685	14,876
Netherlands	29,278	61,054	82,382	121,838	-	-
France	19,441	3,561	62,028	9,952	-	-
Indonesia	30,060	14,010	49,818	74,259	-	-
Canada	28,814	27,987	42,822	69,114	-	-
South Korea	781	8,175	4,975	19,952	-	-
Vietnam	-	-	-	-	200,510	211,954
Germany	128	11,800	4,103	14,938	-	-
Other countries	32,934	37,378	65,571	88,421	-	-
Total	<u>778,543</u>	<u>962,143</u>	<u>1,669,892</u>	<u>2,013,688</u>	<u>314,230</u>	<u>346,957</u>

## F. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 7 Fair value measurement of financial instruments

The table below analyses the Group's financial instruments carried at fair value as at 31 March 2024 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). This is the case for private equity funds at fair value through profit or loss ("FVPL").

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
<b>At 31 March 2024 (Unaudited)</b>				
Financial assets at FVPL	-	-	21,600	21,600
<b>At 31 March 2023 (Audited)</b>				
Financial assets at FVPL	-	-	22,200	22,200

There were no transfers between different levels during the year ended 31 March 2024.

The carrying amounts of the Group's current financial assets including cash and cash equivalents, and trade and other receivables, and the Group's current financial liabilities including trade and other payables, approximate their fair values.

### 8 Profit before taxation

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

	For the 6 months ended 31 March		For the year ended 31 March	
	2024	2023	2024	2023
	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Audited) HK\$'000
<b>Income</b>				
Interest income	(29,551)	(15,799)	(55,191)	(21,238)
<b>Expenses</b>				
Depreciation on property, plant and equipment	20,963	24,163	43,752	53,397
Depreciation of right-of-use assets	535	537	1,083	1,621
Finance costs	304	258	537	508
Provision for impairment losses on financial assets	221	-	221	-
<b>Other income and gains, net</b>				
Gain on disposal of property, plant and equipment	(991)	(1,478)	(994)	(1,858)
Net exchange (gains)/losses	(2,566)	213	(3,986)	(2,847)

## F. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 9 Income tax (credit)/expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated income statement are:

	For the 6 months ended 31 March		For the year ended 31 March	
	2024	2023	2024	2023
	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Audited) HK\$'000
Current tax charge				
- Hong Kong profits tax	115	4,061	9,117	10,761
- PRC enterprise income tax	-	545	-	1,160
Deferred tax credit	(780)	(2,500)	(780)	(2,500)
	<u>(665)</u>	<u>2,106</u>	<u>8,337</u>	<u>9,421</u>

### 10 Earnings per share

	For the 6 months ended 31 March		For the year ended 31 March	
	2024	2023	2024	2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Earnings per ordinary share based on the net profit for the period (HK cents)				
- Based on weighted average number of ordinary shares on issue	18.8	15.6	38.7	29.1
- On a fully diluted basis	18.8	15.6	38.6	29.1
Number of ordinary shares in issue (excluding treasury shares)				
- Weighted average number of ordinary shares for the purpose of basic earnings per share	410,898,735	416,974,497	412,359,922	422,556,132
- Effect of potentially dilutive ordinary shares – Share options	544,238	190,864	544,238	190,864
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>411,442,973</u>	<u>417,165,361</u>	<u>412,904,160</u>	<u>422,746,996</u>

**F. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**11 Dividends**

	For the year ended 31 March	
	2024	2023
	(Unaudited) HK\$'000	(Audited) HK\$'000
Interim dividend, paid of HK\$4 cents (2023: HK\$4 cents) per ordinary share	16,481	16,766
Special interim dividend, paid of HK\$4 cents (2023: Nil) per ordinary share	16,481	-
Final dividend proposed of HK\$9 cents (2023: HK\$10 cents) per ordinary share	36,846	41,391
Special final dividend proposed of HK\$8 cents (2023: HK\$6 cents) per ordinary share	32,752	24,834

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

Name of Dividend	Interim	Interim (Special)	Final	Final (Special)
Dividend Type	Cash	Cash	Cash	Cash
Dividend Amount per Share (in HK cents)	HK 4 cents per ordinary share	HK 4 cents per ordinary share	HK 9 cents per ordinary share	HK 8 cents per ordinary share
Tax Rate	Not applicable	Not applicable	Not applicable	Not applicable

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Name of Dividend	Interim	Final	Final (Special)
Dividend Type	Cash	Cash	Cash
Dividend Amount per Share (in HK cents)	HK 4 cents per ordinary share	HK 10 cents per ordinary share	HK 6 cents per ordinary share
Tax Rate	Not applicable	Not applicable	Not applicable

**(c) Date payable**

Payment of the proposed final dividend and special dividend, if approved by shareholders at the Annual General Meeting to be held in July 2024, will be made on 23 August 2024.

**(d) Books closure date**

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 13 August 2024 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 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, up to the close of business at 5.00 p.m. on 12 August 2024 will be registered to determine shareholders' entitlements to the final dividend and special dividend.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 12 August 2024 will be entitled to the final dividend and special dividend.

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

Not applicable.



**F. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**12 Net asset value**

	The Group		The Company	
	As at 31 March 2024 (Unaudited) HK\$	As at 31 March 2023 (Audited) HK\$	As at 31 March 2024 (Unaudited) HK\$	As at 31 March 2023 (Audited) HK\$
Net asset value per ordinary share based on issued share capital excluding treasury shares at the end of the period	3.4	3.3	1.4	1.3
Number of ordinary shares in issue excluding treasury shares	409,405,337	413,906,337	409,405,337	413,906,337

**13 Property, plant and equipment**

During the year ended 31 March 2024, the additions to property, plant and equipment of the Group was HK\$27,711,000 (2023: HK\$36,460,000).

**14 Share capital**

There were no changes in the Company's issued share capital during the period 1 April 2023 to 31 March 2024. During the six months ended 31 March 2024, the Company had bought back an aggregate of 4,030,300 shares, which have been held as treasury shares.

As at 31 March 2024, the number of ordinary shares in issue was 435,630,837 of which 26,225,500 were held by the Company as treasury shares (equivalent to 6.41% of the total number of issued shares excluding treasury shares of 409,405,337). The share capital was HK\$43.6 million.

As at 31 March 2023, the number of ordinary shares in issue was 435,630,837 of which 21,724,500 were held by the Company as treasury shares (equivalent to 5.25% of the total number of issued shares excluding treasury shares of 413,906,337). The share capital was HK\$43.6 million.

There was no subsidiary holding as at 31 March 2024 and 2023.

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

**(a) Share options**

As at 31 March 2024, the Company has the following outstanding share options:

<u>Employee Share Option Scheme</u>	<u>Exercise Price</u>	<u>As at 31 March 2023 (Audited)</u>	<u>Additions</u>	<u>As at 31 March 2024 (Unaudited)</u>
Incentive Options (Note)	S\$0.268*#	27,500	-	27,500
	S\$0.379*#	132,000	-	132,000
	S\$0.701#	2,770,000	-	2,770,000
	S\$0.530#	2,165,000	-	2,165,000
	S\$0.570#	2,990,000	-	2,990,000
	S\$0.460#	2,400,000	-	2,400,000
	S\$0.530	1,890,000	-	1,890,000
	S\$0.490	1,300,000	-	1,300,000
	S\$0.518	-	1,800,000	1,800,000
Total		13,674,500	1,800,000	15,474,500

## F. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 14 Share capital (Continued)

#### (a) Share options (Continued)

As at 31 March 2023, the Company has the following outstanding share options:

<u>Employee Share Option Scheme</u>	<u>Exercise Price</u>	<u>As at 31 March 2022</u> (Audited)	<u>Additions</u>	<u>Share options forfeited</u>	<u>As at 31 March 2023</u> (Audited)
Incentive Options (Note)	S\$0.268*#	27,500	-	-	27,500
	S\$0.379*#	132,000	-	-	132,000
	S\$0.701#	2,895,000	-	(125,000)	2,770,000
	S\$0.530#	2,245,000	-	(80,000)	2,165,000
	S\$0.570#	3,095,000	-	(105,000)	2,990,000
	S\$0.460#	2,400,000	-	-	2,400,000
	S\$0.530	1,890,000	-	-	1,890,000
	S\$0.490	-	1,300,000	-	1,300,000
Total		12,684,500	1,300,000	(310,000)	13,674,500

\* 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.

# 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.

#### (b) Performance share plan

The Company has no outstanding performance shares as at 31 March 2024 and 2023.

### 15 Capital commitments

The Group has the following capital commitments at the end of the financial year:

	As at 31 March 2024 (Unaudited) HK\$'000	As at 31 March 2023 (Audited) HK\$'000
Acquisition of property, plant and equipment - contracted but not provided for	2,086	3,863

## F. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 16 Related party transactions

In addition to those disclosed elsewhere in these financial statements, the following is a summary of significant related party transactions entered into between the Group and its related party in the ordinary course of business and negotiated on terms mutually agreed with the related party.

	The Group			
	For the 6 months ended		For the year ended	
	31 March		31 March	
	2024	2023	2024	2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Purchases of services from				
- Concord Building Co., Ltd	-	-	-	160
(note)				

Note: beneficially owned by brothers of executive directors of the Company.

The Group has no material balance with above related party as at year ended 31 March 2024 and 2023.

### 17 Aggregate amount of group's borrowings and debt securities

#### (a) Amount repayable in one year or less, or on demand

As at 31 March 2024		As at 31 March 2023	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
Nil	Nil	Nil	Nil

#### (b) Amount repayable after one year

As at 31 March 2024		As at 31 March 2023	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
Nil	Nil	Nil	Nil

#### (c) Details of any collateral

None.

### 18 Subsequent event

There is no known subsequent event which has led to adjustment on this set of condensed consolidated financial statements.

## G. OTHER INFORMATION

- 1 **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 2024 ("FY2024") and the Six Months Results ended 31 March 2024 ("2H FY2024")**

#### **Revenue**

Revenue for FY2024 decreased by 17.1% to HK\$1,669.9M, 2H FY2024 revenue was HK\$778.5M (-19.1% YoY).

Industrial and Commercial Electronics revenue for FY2024 decreased by 20.8% to HK\$1,252.0M, 2H FY2024 ICE revenue was HK\$595.4M (-23.2% YoY). Such decrease was mainly contributed by the decrease in demand from some of our existing ICE customers, offset by revenue contribution from new ICE customers.

Consumer Electronics revenue for FY2024 decreased slightly by 3.6% to HK\$417.9M, 2H FY2024 CE revenue was HK\$183.1M (-2.2% YoY). Such decrease was mainly contributed by the decrease in demand from some of our existing CE customers, offset by revenue contribution from new CE customers.

#### **Gross profit and gross profit margin**

Gross profit for FY2024 increased by 1.3% to HK\$265.2M, 2H FY2024 gross profit was HK\$126.3M (-3.2% YoY). Gross profit margin for FY2024 was 15.9% (FY2023: 13.0%), 2H FY2024 gross profit margin was 16.2% (2H FY2023: 13.6%). The increase in gross profit margin was mainly attributable to reduction in material costs resulted from the relief of component shortage issues. Additionally, direct labour costs in China have decreased due to more stable labour supply and the depreciation of the Renminbi.

#### **Other income and gains, net**

Other income for FY2024 increased by 101.4% to HK\$64.5M, 2H FY2024 was HK\$35.7M (+86.9% YoY), which was mainly due to the increase in interest income as US Fed lifted interest rate several time during the year.

#### **Selling and distribution expenses**

Selling and distribution expenses for FY2024 decreased by 10.8% to HK\$19.5M, 2H FY2024 was HK\$9.0M (-8.0% YoY), due to the decline in revenue.

#### **Administrative expenses**

Administrative expenses for FY2024 increased slightly by 2.0% to HK\$141.7M, 2H FY2024 was HK\$75.9M (+5.0% YoY).

## G. OTHER INFORMATION (CONT'D)

### Profit for the period

As a result of the above, the profit for the year increased by 29.8% to HK\$159.6M. Profit for period for 2H FY2024 was HK\$77.4M (+18.9% YoY).

### Financial position and cash flows

As at 31 March 2024, the Group had net current assets of HK\$1,068.0M (31 March 2023: HK\$993.3M), total assets of HK\$2,088.9M (31 March 2023: HK\$2,075.9M) and shareholders' funds of HK\$1,399.6M (31 March 2023: HK\$1,362.0M).

The Group's trade receivables decreased by HK\$81.9M from HK\$463.8 million as at 31 March 2023 to HK\$381.9M as at 31 March 2024. The Group's trade payables increased by HK\$3.7M from HK\$233.6M as at 31 March 2023 to HK\$237.3M as at 31 March 2024. The Group's inventories decreased by HK\$30.6M from HK\$203.6M as at 31 March 2023 to HK\$173.1M as at 31 March 2024.

The working capital of the Group as at 31 March 2024, which is the sum of trade receivables and inventories less trade payables, was HK\$317.7M (31 March 2023: HK\$433.8M). The decrease in net working capital, reflecting the movement in trade receivables, inventories and trade payables, was mainly due to the reduction in revenue and better working capital management.

The Group had no bank borrowings as at 31 March 2024 (31 March 2023: Nil).

As at 31 March 2024, the Group had cash and cash equivalents of HK\$1,164.5M (31 March 2023: HK\$1,009.9M). Over 96% of its cash and cash equivalents were placed in reputable financial institutions in Hong Kong and Singapore. The remaining balance of the cash and cash equivalents, mainly in the PRC and Vietnam, were placed in equivalent reputable financial institutions. The cash and cash equivalents are reviewed by the Group's auditors, PricewaterhouseCoopers.

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

Not applicable. No forecast or prospect statement was previously disclosed to shareholders.

**3 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 as the Group's latest audited financial statements for the financial year ended 31 March 2023 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

## G. OTHER INFORMATION (CONT'D)

### 4 **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 operating period and the next 12 months.**

The Group navigated a dynamic operating landscape in the financial year ending 31 March 2024 ("FY2024"), facing both challenges and opportunities. Despite a decline in revenue, the Group demonstrated resilience by achieving profit growth. This accomplishment underscores effective cost control, capital management, and enhancements in customer acquisition strategy, despite prevailing macroeconomic headwinds.

Certain macroeconomic conditions positively impacted the Group's cost dynamics. Improved visibility in the component supply chain and the depreciation of the Renminbi led to more stable material costs, enhancing the gross profit margin.

Strategic efforts to diversify the customer base yielded promising results. New customers acquired during the year, including a consumer electronics ("CE") customer supplying electronic products to a leading global entertainment conglomerate and an industrial and commercial electronics ("ICE") customer, a network access solutions provider based in Canada, began contributing revenue in the second half of the year. These new customers are expected to contribute to full-year revenue in the financial year ending 31 March 2025 ("FY2025").

During the year, revenue in the CE segment was mitigated by contributions from new customers despite slower business from existing customers. This shift is seen as an opportunity to rebalance the customer portfolio by allocating more resources towards newly acquired customers with higher growth potential and better margin. In the ICE segment, revenue was impacted by an unfavorable economic environment. Impaired business confidence led to slower inventory intake by several existing customers and delays in new projects and product introductions by newly acquired customers.

The high-interest rate environment is expected to persist into FY2025, with the timing and magnitude of potential rate cuts remaining uncertain. While this environment supports the Group's interest income, it may adversely affect end customers' demand. Ongoing high interest rates and inflation are likely to slow enterprise expansion and reduce capital expenditure. Despite these challenges, the Group remains focused on exploring new projects with existing customers and actively seeking to attract new customers. Its strategic manufacturing solutions in Vietnam position it well to meet evolving customer needs amidst geopolitical uncertainties.

Looking ahead, the Group remains confident in its ability to navigate the evolving landscape. Supported by a strong balance sheet, a diverse customer base, and a proven track record of operational excellence, the Company expects to remain profitable for FY2025, barring unforeseen circumstances.

To increase shareholders' value and improve the return on equity of the Group, a HK\$250 million Share Buyback Program was announced on 28 February 2022. Since then, HK\$79.0 million has been utilized to repurchase an aggregate of 26.2 million company shares. The Group intends to continue with the Share Buyback Program.

The Board of Directors declares a final dividend of HKD 9 cents per share. Additionally, a special dividend of HKD 8 cents per share is declared to reward shareholders for their continuous support of the Group by sharing in the improved interest income earned during this year, attributable to the higher interest rate environment.

### 5 **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 1 above.

**G. OTHER INFORMATION (CONT'D)**

**6 A breakdown of sales.**

	Year ended 31 March 2024 HK\$'000	Year ended 31 March 2023 HK\$'000	Change %
(a) Sales from operations reported for first half year	891,349	1,051,545	-15.2
(b) Operating profit after tax reported for first half year	82,137	57,856	42.0
(c) Sales from operations reported for second half year	778,543	962,143	-19.1
(d) Operating profit after tax reported for second half year	77,447	65,134	18.9

**7 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 2024	Year ended 31 March 2023
	HK\$'000	HK\$'000
<b>Ordinary</b>	102,560	82,991
<b>Preference</b>	N/A	N/A
<b>Total:</b>	102,560	82,991

**8 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) of the Listing Manual of Singapore Exchange Securities Trading Limited ("SGX-ST"). If not IPT mandate has been obtained, a statement to that effect.**

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

**9 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.

**10 Confirmation by the Company Pursuant to Rule 720(1) of the Listing Manual of 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.

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

**Tse Chong Hing**  
Chairman and Managing Director  
29 May 2024

**Chow Kok Kit**  
Executive Director