FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FULL YEARLY RESULTS

Issuer & Securities

Issuer/ Manager

VALUETRONICS HOLDINGS LIMITED

Securities

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Announcement Details

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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:

Media Release - Valuetronics' FY2026 dividend payout exceeds 100% of net profit; Raises dividends policy and announces programme to return surplus cash to shareholders.

Additional Details

For Financial Period Ended

31/03/2026

Attachments

20260528-VHL-FY2026 Media Release.pdf

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Valuetronics' FY2026 dividend payout exceeds 100% of net profit; Raises dividends policy and announces programme to return surplus cash to shareholders

- *Proposes final dividend of 14.0 Hong Kong cents per share and special dividend of 16.0 Hong Kong cents per share[1]; together with the interim and special interim dividend of total 8.0 Hong Kong cents per share, this brings total dividend for FY2026 to 38.0 Hong Kong cents per share, up 41% from previous year*
- *Revises dividend policy[2] to 50% to 70% of net profit per year with effect from 28 May 2026.*
- *To enhance shareholder returns, surplus cash of approximately HK$300.0 million[3] will be returned to shareholders between FY2027 and FY2028:*
  In FY2027, approximately HK$146.0 million is allocated, including HK$66.0 million in special dividends and not less than HK$80.0 million in share buybacks.
- *Excluding the net loss related to Trio AI Investment, adjusted Operating Profit[4] improved from HK$175.3 million to HK$179.8 million*

Financial Highlights (HK$ Million)	**12 months ended 31 March**		
	FY2026	**FY2025**	**Change (%)**
Total Revenue	**1,660.2**	1,729.1	(4.0)
- Consumer Electronics ("**CE**")	**214.1**	367.0	(41.7)
- Industrial & Consumer Electronics ("**ICE**")	**1,446.1**	1,362.1	6.2
Gross Profit	**312.1**	293.7	6.3
Gross Profit Margin (%)	**18.8**	17.0	1.8% pts
Operating Profit	**136.8**	175.3	(22.0)
Income Tax Expense	**(19.3)**	(8.2)	133.8
Profit Before Income Tax	**130.7**	174.7	(25.2)
Net Profit	**111.4**	166.5	(33.1)

[1] Subject to shareholders' approval at the upcoming Annual General Meeting

[2] The dividend policy is subject to the Group's business requirements and other relevant considerations and barring unforeseen circumstances. The amount of dividends will depend on the Group's operating results, financial conditions such as cash position and retained earnings, other cash requirements including capital expenditure, restrictions on payment of dividends imposed on the Group by financing arrangements (if any) and other factors deemed relevant by the Directors.

[3] Subject to, inter alia, the Group's financial performance, operating and capital expenditure requirements, prevailing market conditions, cash flow position, applicable laws and regulations, and such approvals as may be required.

[4] Adjusted for gains and losses in relation to Trio AI Investment. Details are set out in Note 7 of Section F of the FY2026 results announcement.

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Dividends (HK cents per ordinary share)	12 months ended 31 March		
	FY2026	FY2025	Change (%)
Interim dividend	4.0	4.0	-
Special interim dividend	4.0	4.0	-
Proposed final dividend	14.0	11.0	27.3
Proposed special final dividend	16.0	8.0	100.0
Total	**38.0**	**27.0**	**40.7**

SINGAPORE – 28 May 2026 – Leading integrated Electronics Manufacturing Services ("**EMS**") provider Valuetronics Holdings Limited (鸿通电子控股有限公司) ("**Valuetronics**", or together with its subsidiaries, the "**Group**") today announced its plan to return enhanced value to its shareholders as it reported its results for the full year ended 31 March 2026 ("**FY2026**").

The Board of Directors has recommended a final dividend of 14.0 Hong Kong cents per share[2] and a special dividend of 16.0 Hong Kong cents per share as part of the HK$300 million capital return programme. Together with the interim dividend and special dividend of total 8.0 Hong Kong cents that was paid in December 2025, it brings total dividend for FY2026 to 38.0 Hong Kong cents per share, representing an increase of 41% over 27.0 Hong Kong cents per share it paid in FY2025 and reflecting a dividend payout ratio of 132% in respect of FY2026.

The Group has also raised its dividend policy[2] and announced a programme to return surplus cash to shareholders after taking into account appropriate allocations for working capital, capital expenditure, prudent liquidity reserves and strategic growth opportunities.

In addition, the Group's dividend policy[2] has been revised from 30% to 50% to 50% to 70% of net profit annually.

To enhance shareholder returns, the Group intends to return approximately HK$300.0 million to shareholders. This will be undertaken between the years ending 31 March 2027 ("**FY2027**") and 31 March 2028 ("**FY2028**") by way of special dividends and a share buyback programme. Approximately HK$146.0 million will be returned to shareholders in FY2027. This includes HK$66.0 million in special dividends in respect of its FY2026 financial results and not less than HK$80.0 million in share buybacks. The remaining of the HK$300.0 million programme will be allocated for shareholder returns in FY2028.

The Group's capital management including its dividend policy and share buyback programme will be reviewed periodically in line with its evolving business strategy, financial position, liquidity requirements, capital needs and market conditions with a view to enhancing long term shareholder value and supporting sustainable growth in total shareholder returns over time.

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Mr Ricky Tse Chong Hing (谢创兴), Chairman and Managing Director of Valuetronics, said: "The Board is pleased to announce a scheme to return HK$300 million in surplus cash to shareholders as part of our ongoing efforts to enhance shareholder returns. Alongside this, the Board has revised the Group's dividend policy, lifting the payout ratio to a new range of 50% to 70% of annual net profit, reflecting our commitment to delivering sustainable shareholder value through a disciplined and balanced capital management approach.

FY2026 Performance by Segment

Total revenue for the year ended 31 March 2026 ("**FY2026**") dipped 4.0% year-on-year ("**YOY**") to HK$1,660.2 million. The ICE segment continued to perform strongly, marking a third consecutive year of improved performance from this segment. ICE revenue rose 6.2% YOY to HK$1,446.1 million as the network-access-solutions customer continued growth in FY2026.

In the CE segment, revenue declined 41.7% YOY to HK$214.1 million in FY2026 mainly due to the phase-out of legacy products in the traditional consumer lifestyle category, which had insufficient scale and margin.

In line with the Group's strategic shift to a higher margin sales mix, gross profit for FY2026 increased 6.3% YOY to HK$312.1 million, with gross profit margin up 1.8% points to 18.8%.

Other income fell 19.3% yoy to HK$46.8 million in FY2026 mainly due to a decrease in interest income in tandem with the lowering of interest rates by the US Fed during the financial year.

Adjusted results in relation to net loss in Trio AI Investment[1] (HK$ Million)	**12 months ended 31 March**		
	FY2026	**FY2025**	**Change (%)**
Adjusted Operating Profit	**179.8**	175.3	2.6
Adjusted Profit Before Income Tax	**179.1**	174.7	2.5
Adjusted Net Profit	**159.9**	166.5	(4.0)

Valuetronics recognised HK$48.4 million in respect of gain/loss in respect of the Group's investment in, and equipment leased to, Trio AI and the GPUs and related ancillary hardware acquired but not yet deployed for use ("**Trio AI Investment**") in FY 2026.

Accordingly, the Group reported net profit of HK$111.4 million in FY2026 as compared to HK$166.5 in the previous corresponding period in 2025. Excluding the gain/loss in relation to the Trio AI investment, adjusted net profit would have been HK$159.9 million[4] in FY2026.

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Valuetronics remained in a strong financial position with a healthy balance sheet and no bank borrowings. As at 31 March 2026, it had cash and cash equivalents of HK$1,213.8 million (as at 31 March 2025: $1,093.8 million), while net asset value[5] was maintained at HK$3.6 per share over the same period.

Business Outlook

- **Core EMS business**

To further build the pipeline for the ICE segment, the Group is pursuing an automotive customer for products used in super duty trucks and hybrid vehicles, in addition to new projects from certain existing customers.

In the CE segment, revenue from the entertainment-focused customer continued to grow, and the Group was also awarded a new project by this customer. However, the contribution is not expected to fully offset the decline in legacy product revenue in FY2027.

Looking ahead, the Group expects the operating environment to remain fluid and uncertain. Recent tariff measures imposed by the U.S. Administration under Section 122 of the Trade Act of 1974, following the U.S. Supreme Court's invalidation of IEEPA-based reciprocal tariffs in February 2026, indicate a continued shift toward more restrictive trade policies, which may increase costs and create uncertainty for international trade.

In addition, ongoing tensions in the Middle East may continue to affect crude oil-based material costs and logistics expenses. At the same time, strong demand for components used in AI infrastructure has continued to absorb semiconductor manufacturing capacity, which may affect the cost and lead time of conventional component supplies.

The Group remains mindful of the impact of macroeconomic sentiment and supply-chain uncertainties. By leveraging its regional manufacturing footprint in Vietnam and China, ongoing customer diversification efforts and focus on operational efficiency, and barring unforeseen circumstances, the Group expects to remain profitable in FY2027.

- **Trio AI Investment**

The Group intends to reassess the future direction of Trio AI together with the rest of Trio AI's shareholders, taking into account its funding requirements and business prospects. The Group also intend to explore available options to recover value from the GPUs and related ancillary hardware which are deployed for rent to Trio AI and those which remain undeployed, including through disposal or redeployment for other commercial opportunities.

– END –

[5] Net asset value calculated on the basis of 409,827,027 shares as at 31 March 2026 (409,717,737 shares as at 31 March 2025).

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Cautionary Statement

Shareholders are advised to read this press release and announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

About Valuetronics Holdings Limited

Listed on the SGX Mainboard in 2007 and currently a constituent stock on the FTSE ST Small Cap and FTSE Global Micro Cap Indices, Valuetronics Holdings Limited ("**Valuetronics**", or together with its subsidiaries, the "**Group**") is a one-stop, integrated Electronics Manufacturing Services ("**EMS**") provider that offers a full range of services from conceptualisation, to engineering design and development, to production and supply chain support.

Valuetronics has two principal business segments, namely Consumer Electronics ("**CE**") Products and Industrial and Commercial Electronics ("**ICE**") Products. Together, the two segments serve a diversified customer base across multiple industries, with core competencies ranging from tool fabrication, injection moulding, metal stamping, machining, surface mount technology ("**SMT**") and finished product assembly on full turnkey basis.

Aligned to its multi-location strategy, Valuetronics' two manufacturing facilities are located in the manufacturing powerhouses of China and Vietnam. Its 110,000m^2 China Campus is located at Huizhou City, Guangdong Province and its 52,541m^2 Vietnam Campus is in Vinh Phuc Province. The close proximity to major customers puts the Group in an advantageous position to engage, understand and initiate value-added solutions to meet its customers' ever-evolving needs and to proactively support them in achieving faster time-to-market, better quality control, and competitive total cost of ownership.

For more information, visit www.valuetronics.com.hk.

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