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

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2013

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

1(a) An income statement and a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Income Statement for the year ended 31 March 2013

	The Group		
	Year ended 31 March		
	2013	2012	Change
	HK$'000	HK$'000	%
		(Restated)	
Continuing operations			
Revenue	2,210,166	2,288,299	-3.4
Cost of sales	(1,939,936)	(1,967,000)	-1.4
Gross profit	**270,230**	**321,299**	**-15.9**
Other income	11,186	14,902	-24.9
Selling and distribution costs	(35,257)	(48,865)	-27.8
Administrative expenses	(112,052)	(110,935)	1.0
Net other operating (losses)/gains	(1,392)	3,688	-137.7
Profit from operations	**132,715**	**180,089**	**-26.3**
Finance costs	(1,414)	(1,606)	-12.0
Profit before tax	**131,301**	**178,483**	**-26.4**
Income tax expense	(12,866)	(18,202)	-29.3
Profit for the year from continuing operations	**118,435**	**160,281**	**-26.1**
Discontinued operations*			
Loss for the year from discontinued operations	**(39,752)**	**(29,955)**	**32.7**
Profit for the year	**78,683**	**130,326**	**-39.6**
Attributable to:			
Owners of the Company	**78,683**	**130,326**	**-39.6**
Attributable to owners of the Company from:			
- continuing operations	118,435	160,281	-26.1
- discontinued operations	(39,752)	(29,955)	32.7
	78,683	**130,326**	**-39.6**

Consolidated Statement of Comprehensive Income for the year ended 31 March 2013

	The Group		
	Year ended 31 March		
	2013	2012	Change
	HK$'000	HK$'000	%
		(Restated)	
Profit for the year	**78,683**	**130,326**	**-39.6**
Other comprehensive income:			
Exchange differences on translating foreign operations	1,551	6,614	-76.5
Other comprehensive income for the year, net of tax	**1,551**	**6,614**	**-76.5**
Total comprehensive income for the year	**80,234**	**136,940**	**-41.4**
Total comprehensive income attributable to:			
Owners of the Company	**80,234**	**136,940**	**-41.4**
Total comprehensive income attributable to owners of the Company from:			
- continuing operations	119,986	166,895	-28.1
- discontinued operations	(39,752)	(29,955)	32.7
	80,234	**136,940**	**-41.4**

An analysis of the results of the discontinued operations:

	The Group	
	Year ended 31 March	
	2013	2012
	HK$'000	HK$'000
		(Restated)
Revenue	**32,722**	**90,326**
Expenses *	(71,962)	(120,281)
Loss before tax	**(39,240)**	**(29,955)**
Income tax expense	(512)	-
Loss for the year	**(39,752)**	**(29,955)**

***: See Page 3, Note 5**

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

	The Group	
	Year ended 31 March	
	2013	**2012**
	HK$'000	**HK$'000**
Continuing operations		
Depreciation	43,280	40,786
Amortisation of land use rights	488	479
Loss/(gain) on disposals of property, plant and equipment	202	(210)
Interest income	(1,058)	(406)
Interest expenses	447	467
Bank charges	967	1,139
Net realized exchange gains (Note 1)	(1,501)	(4,819)
Net fair value losses on derivative financial instruments (Note 2)	75	-
Provision for impairment of trade receivables (Note 3)	1,069	-
Write-back of provision for impairment for loss on assets in respect of flash flood (Note 4)	-	(3,688)
Discontinued operations		
Termination expenditure (Note 5)	23,593	-
Provision for impairment loss on property, plant and equipment (Note 5)	2,683	-
Impairment of goodwill	10	-
Depreciation	643	2,222

Note 1: Net exchange gains for the year mainly resulted from settlements of Singapore dollars (last year: United State dollars).

Note 2: The Group has operations in China and one of its principal currencies is Renminbi. The Group entered into certain foreign exchange forward contracts to hedge against its exposure to Renminbi during the year (last year: Japanese Yen). The net fair value losses on derivative financial instruments represented the unrealised losses and mark-to-market values of these contracts as at year end date.

Note 3: After deliberation, the recoverability of certain trade receivables due from one of our customers proved to be low. A provision for impairment of such trade receivables has been made during the year.

Note 4: In June 2008, the flash flood in Southern China affected the Danshui Plant of the Group and resulted in provision for impairment loss on assets, which amounted to HK$10.0 million. The claim process with insurance company was concluded last year. After taking into account the compensations received and the claim amounts, which were determined based on the final adjustor report, an over-provision of HK$3.7 million was written back in last year.

Note 5: On 7 August 2012, after a rigorous review of the prospects of the Licensing business, the Group announced its decision to terminate the Licensing business. During the year, the Group recorded termination expenditure of HK$23.6 million, which included termination cost, royalties payable to the licensors and severance payments for the affected employees. In addition, provision for impairment loss on property, plant and equipment of HK$2.7 million has been made against the relevant assets in the Licensing business during the year. All relevant costs to fulfil our obligations after termination of the Licensing business have been accounted for as at year end. We do not expect any more expenses will be incurred in FY2014.

In accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the results and cash flows of the Licensing business have been included in the discontinued operations of the Group upon the termination of Licensing business. Comparative figures have been restated thereon.

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

Statements of Financial Position as at 31 March 2013

	The Group		The Company	
	At 31.3.2013	At 31.3.2012	At 31.3.2013	At 31.3.2012
	HK$'000	HK$'000	HK$'000	HK$'000
Non-current assets				
Land use rights	20,941	21,261	-	-
Property, plant and equipment	196,454	222,689	-	-
Available-for-sale financial assets	1,549	-	-	-
Goodwill	-	10	-	-
Investments in subsidiaries	-	-	83,330	83,330
Club membership, at cost	250	248	-	-
	219,194	244,208	83,330	83,330
Current assets				
Inventories	178,358	204,090	-	-
Trade receivables	481,509	508,120	-	-
Land use rights	491	487	-	-
Prepayments, deposits and other receivables	8,836	12,503	136	227
Long term receivables – current portion	-	248	-	-
Due from subsidiaries	-	-	149,546	183,781
Available-for-sale financial assets	2,476	-	-	-
Bank and cash balances	221,579	263,730	416	329
	893,249	989,178	150,098	184,337
Total assets	1,112,443	1,233,386	233,428	267,667
Current liabilities				
Trade payables	241,375	393,835	-	-
Accruals, other payables and deposits received	264,962	232,102	623	394
Current tax liabilities	10,416	15,130	-	-
Derivative financial instruments	75	-	-	-
Bank borrowings - current portion	-	9,000	-	-
	516,828	650,067	623	394
Non-current liabilities				
Bank borrowings	-	11,000	-	-
Deferred tax liabilities	3,388	3,944	-	-
	3,388	14,944	-	-
Total liabilities	520,216	665,011	623	394
	592,227	568,375	232,805	267,273
Equity attributable to owners of the Company				
Share capital	36,004	35,860	36,004	35,860
Reserves	556,223	532,515	196,801	231,413
Total equity	592,227	568,375	232,805	267,273

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

Amount repayable in one year or less, or on demand

As at 31 March 2013		As at 31 March 2012	
Secured	Secured	Secured	Unsecured
HK$'000	HK$'000	HK$'000	HK$'000
Nil	Nil	9,000	Nil

Amount repayable after one year

As at 31 March 2013		As at 31 March 2012	
Secured	Secured	Secured	Unsecured
HK$'000	HK$'000	HK$'000	HK$'000
Nil	Nil	11,000	Nil

Details of any collateral

None

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

Consolidated Statement of Cash Flows for the year ended 31 March 2013

	The Group	
	Year ended 31 March	
	2013	2012
	HK$'000	HK$'000
		(Restated)
Cash flows from operating activities		
Cash generated from operations of continuing operations:		
Profit before tax	131,301	178,483
Adjustments for :		
Equity-settled share-based payments	4,372	4,294
Depreciation	43,280	40,786
Amortisation of land use rights	488	479
Loss/(gain) on disposals of property, plant and equipment	202	(210)
Interest expenses	447	467
Interest income	(1,058)	(406)
Net fair value losses on derivative financial instruments	75	-
Provision for impairment of trade receivables	1,069	-
Awards of Performance Share Plan	-	(1,576)
Operating profit before working capital changes	**180,176**	**222,317**
Decrease/(increase) in inventories	24,256	(1,247)
Decrease/(increase) in trade receivables	12,744	(70,982)
Decrease in prepayments, deposits and other receivables	1,561	1,462
(Decrease)/increase in trade payables	(155,842)	87,527
Increase in accruals, other payables and deposits received	29,068	25,348
Cash generated from operations	**91,963**	**264,425**
Income tax paid	(18,648)	(17,537)
Interest paid	(447)	(467)
Net cash generated from operating activities of continuing operations	72,868	246,421
Net cash used in operating activities of discontinued operations	(13,683)	(6,598)
Net cash generated from operating activities	**59,185**	**239,823**
Cash flows from investing activities		
Purchase of property, plant and equipment	(17,937)	(44,555)
Proceeds from disposal of property, plant and equipment	11	337
Investment in available-for-sale financial assets	(4,025)	-
Interest received	1,058	406
Net cash used in investing activities of continuing operations	(20,893)	(43,812)
Net cash used in investing activities of discontinued operations	(237)	(4,252)
Net cash used in investing activities	**(21,130)**	**(48,064)**
Cash flows from financing activities		
Dividend paid	(61,022)	(49,998)
Net repayment of trust receipt loans	-	(38,015)
(Repayment of)/proceeds from bank loan	(20,000)	20,000
Proceeds from shares issued in exercise of share options	268	2,505
Net cash used in financing activities of continuing operations	(80,754)	(65,508)
Net cash from financing activities of discontinued operations	-	-
Net cash used in financing activities	**(80,754)**	**(65,508)**
Net (decrease)/increase in cash and cash equivalents	**(42,699)**	**126,251**
Effect of foreign exchange rate changes	548	1,294
Cash and cash equivalents at beginning of the year	263,730	136,185
Cash and cash equivalents at end of the year	**221,579**	**263,730**

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statements of Changes in Equity

	Attributable to the owners of the Company								
			Reserves						
The Group	Share capital	Treasury shares	Share premi-um	Share-based payme-nt reserve	Transla-tion reserve	Statut-ory reserve (note 1)	Retained earnings	Total reserves	Total equity
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Balance at 1 April 2012	35,860	-	90,283	4,411	21,202	1,198	415,421	532,515	568,375
Total comprehensive income for the year	-	-	-	-	1,551	-	78,683	80,234	80,234
Issue of shares on exercise of share options	35	-	324	(91)	-	-	-	233	268
Issue of shares on award of performance share	109	-	1,260	(1,369)	-	-	-	(109)	-
Share-based payments	-	-	-	4,372	-	-	-	4,372	4,372
Lapsed of share-based payments	-	-	-	(674)	-	-	674	-	-
Dividend paid	-	-	-	-	-	-	(61,022)	(61,022)	(61,022)
Transfer to statutory reserve	-	-	-	-	-	398	(398)	-	-
Balance at 31 March 2013	**36,004**	**-**	**91,867**	**6,649**	**22,753**	**1,596**	**433,358**	**556,223**	**592,227**
Balance at 1 April 2011	35,670	(778)	87,244	3,566	14,588	749	335,171	441,318	476,210
Total comprehensive income for the year	-	-	-	-	6,614	-	130,326	136,940	136,940
Award of treasury shares	-	778	-	(778)	-	-	-	(778)	-
Cash settlement for the awards granted	-	-	-	(1,576)	-	-	-	(1,576)	(1,576)
Issue of shares on exercise of share options	190	-	3,039	(724)	-	-	-	2,315	2,505
Lapsed of share-based payments	-	-	-	(371)	-	-	371	-	-
Share-based payments	-	-	-	4,294	-	-	-	4,294	4,294
Dividend paid	-	-	-	-	-	-	(49,998)	(49,998)	(49,998)
Transfer to statutory reserve	-	-	-	-	-	449	(449)	-	-
Balance at 31 March 2012	**35,860**	**-**	**90,283**	**4,411**	**21,202**	**1,198**	**415,421**	**532,515**	**568,375**

The Company	Share capital	Treasury shares	Reserves: Share premium	Reserves: Share-based payment reserve	Reserves: Contributed surplus	Reserves: Retained earnings	Reserves: Total reserves	Total
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**
Balance at 1 April 2012	35,860	-	90,283	4,411	67,239	69,480	231,413	267,273
Total comprehensive income for the year	-	-	-	-	-	21,914	21,914	21,914
Share-based payments	-	-	-	4,372	-	-	4,372	4,372
Issue of shares on award of performance share	109	-	1,260	(1,369)	-	-	(109)	-
Issue of shares on exercise of share options	35	-	324	(91)	-	-	233	268
Lapsed of share-based payments	-	-	-	(674)	-	674	-	-
Dividend paid	-	-	-	-	-	(61,022)	(61,022)	(61,022)
Balance at 31 March 2013	**36,004**	**-**	**91,867**	**6,649**	**67,239**	**31,046**	**196,801**	**232,805**
Balance at 1 April 2011	35,670	(778)	87,244	3,566	67,239	60,695	218,744	253,636
Total comprehensive income for the year	-	-	-	-	-	58,412	58,412	58,412
Share-based payments	-	-	-	4,294	-	-	4,294	4,294
Award of treasury shares	-	778	-	(778)	-	-	(778)	-
Cash settlement for the awards granted	-	-	-	(1,576)	-	-	(1,576)	(1,576)
Issue of shares on exercise of share options	190	-	3,039	(724)	-	-	2,315	2,505
Lapsed of share-based payments	-	-	-	(371)	-	371	-	-
Dividend paid	-	-	-	-	-	(49,998)	(49,998)	(49,998)
Balance at 31 March 2012	**35,860**	**-**	**90,283**	**4,411**	**67,239**	**69,480**	**231,413**	**267,273**

Note 1: In accordance with the relevant PRC regulations, the subsidiaries of the Group established in the PRC are required to transfer a certain percentage of the profit after tax, if any, to a statutory reserve. Subject to certain restrictions as set out in the relevant PRC regulations, the statutory reserve may be used to offset the accumulated losses, if any, of the subsidiaries.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, repurchase of shares, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.
State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The Company issued and allotted 1,438,750 new ordinary shares (31 March 2012: 1,900,000 shares) since the end of the previous year reported on. As at 31 March 2013, the share capital of the Company comprises 360,038,750 shares (31 March 2012: 358,600,000 shares).

As at 31 March 2013, the Company has the following outstanding share options:

Employee Share Option Scheme	Exercise Price	Balance as at 31.3.2012	Additions	Share options exercised	Balance as at 31.3.2013
(a) Incentive Options (Note 1)	S$0.175	100,000	-	(100,000)	-
	S$0.144	1,200,000	-	-	1,200,000
	S$0.105	2,750,000	-	(250,000)	2,500,000
	S$0.150	2,400,000	-	-	2,400,000
	S$0.160	1,150,000	-	-	1,150,000
	S$0.174	4,900,000	-	-	4,900,000
	S$0.201	-	5,400,000	-	5,400,000
(b) Market Options (Note 2)	S$0.215	200,000	-	-	200,000
	S$0.184	400,000	-	-	400,000
Total		13,100,000	5,400,000	(350,000)	18,150,000

As at 31 March 2012, the Company has the following outstanding share options:

Employee Share Option Scheme	Exercise Price	Balance as at 31.3.2011	Additions	Share options exercised	Balance as at 31.3.2012
(a) Incentive Options (Note 1)	S$0.225	800,000	-	(800,000)	-
	S$0.175	400,000	-	(300,000)	100,000
	S$0.144	1,200,000	-	-	1,200,000
	S$0.105	2,750,000	-	-	2,750,000
	S$0.150	2,400,000	-	-	2,400,000
	S$0.160	1,150,000	-	-	1,150,000
	S$0.174	-	4,900,000	-	4,900,000
(b) Market Options (Note 2)	S$0.215	800,000	-	(600,000)	200,000
	S$0.184	600,000	-	(200,000)	400,000
Total		10,100,000	4,900,000	(1,900,000)	13,100,000

Notes:
(1) 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.
(2) The Market Options were issued at the market price which was equal to the average of the last dealt prices on the Official List of the SGX-ST for the five consecutive Market Days immediately preceding the date of grant of the respective Options.

PERFORMANCE SHARE PLAN

As at 31 March 2013, the Company has the following outstanding Share Awards:

Date of grant	Outstanding at 31.3.2012	Granted	Awarded by way of issue of new shares	Lapsed	Outstanding at 31.3.2013
16 August 2011	1,625,000	-	(1,088,750)	(536,250)	-
19 July 2012	-	700,000	-	-	700,000
Total	**1,625,000**	**700,000**	**(1,088,750)**	**(536,250)**	**700,000**

As at 31 March 2013, no shares were held as treasury shares. There were no treasury shares transferred during the year under the Company's Employee Share Option Scheme and Performance Share Plan.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Total number of issued shares (excluding treasury shares)

As at 31 March 2012	358,600,000
Issuance and allotment of shares pursuant to:	
- Employee Share Option Scheme on 17 July 2012	350,000
- Performance Share Plan on 13 September 2012	1,088,750
As at 31 March 2013	360,038,750

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

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

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

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

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

Not applicable

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting year compared with the audited annual financial statements for the year ended 31 March 2012, except for the adoption of the new and revised International Financial Reporting Standards ("IFRSs") which are relevant to the Group's operations and became effective for the financial year beginning 1 April 2012.

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.

The adoption of the new and revised IFRSs, which are effective for the financial year beginning 1 April 2012, did not result in significant changes to the Group's accounting policies or have any material impact on the Group's and the Company's financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	The Group	
	Year ended 31 March 2013	**Year ended 31 March 2012 (Restated)**
Earnings/(losses) per ordinary share based on the net profit/(loss) for the year		
(a) Based on weighted average number of ordinary shares on issue; and		
- continuing operations	HK 32.9 cents	HK 44.9 cents
- discontinued operations	HK (11.0) cents	HK (8.4) cents
	HK 21.9 cents	HK 36.5 cents
(b) On a fully diluted basis		
- continuing operations	HK 32.8 cents	HK 44.4 cents
- discontinued operations	HK (11.0) cents	HK (8.3) cents
	HK 21.8 cents	HK 36.1 cents
Number of ordinary shares in issue (excluding treasury shares)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	359,443,973	357,416,273
Effect of potentially dilutive ordinary shares – Share options	1,577,690	3,554,752
Weighted average number of ordinary shares for the purpose of diluted earnings per share	361,021,663	360,971,025

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year.

	The Group		The Company	
	31.3.2013	**31.3.2012**	**31.3.2013**	**31.3.2012**
	HK cents	**HK cents**	**HK cents**	**HK cents**
Net asset value per ordinary share based on issued share capital excluding treasury shares at the end of the year:	164.5	158.5	64.7	74.5
Number of ordinary shares in issue excluding treasury shares	360,038,750	358,600,000	360,038,750	358,600,000

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Valuetronics is an Electronic Manufacturing Service ("EMS") provider, which focuses on the design and development of products that meet the ever-changing customers' needs. We are the preferred choice of some successful global companies 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.

In the previous years, the Group classified its business into 3 reportable segments, namely Original Equipment Manufacturers products ("OEM"), Original Design Manufacturers products ("ODM") and Licensed products ("Licensing"). Due to the high involvement in the designing and manufacturing engineering process of our OEM customers' products, the differentiation between services provided to the OEM and ODM customers is blurring and may not reflect the actual performance of each business segment. Accordingly, we begin to classify the business segments with reference to the nature and characteristic of market where the product is sold, namely consumer electronics products ("Consumer Electronics"), industrial and commercial electronics products ("Industrial and Commercial Electronics") and Licensing effective from 1 April 2012.

Review – Full year results ended 31 March 2013 ("FY2013") vs Full year results ended 31 March 2012 ("FY2012")

Revenue (Continuing operations)

Revenue decreased by 3.4% or HK$78.1 million from HK$2,288.3 million in FY2012 to HK$2,210.2 million in FY2013. Such change was mainly attributable to the slowdown in demand from some of our Consumer Electronics customers but compensated by the increase in demand from some of our Industrial and Commercial Electronics customers.

Consumer Electronics revenue decreased by 6.1% to HK$1,581.4 million (FY2012: HK$1,683.6 million), mainly contributed by the slowdown in demand from some of our Consumer Electronics customers.

Industrial and Commercial Electronics revenue increased by 4.0% to HK$628.8 million (FY2012: HK$604.7 million), mainly attributable to the increase in demand from some of our Industrial and Commercial Electronics customers.

Gross profit and gross profit margin (Continuing operations)

Gross profit decreased by 15.9% to HK$270.2 million (FY2012: HK$321.3 million) while gross profit margin declined from 14.0% to 12.2%, mainly due to a change in product sales mix in Consumer Electronics during the year.

Other income (Continuing operations)

Other income decreased by 24.9% to HK$11.2 million (FY2012: HK$14.9 million). The decrease was mainly contributed by the decrease in net foreign exchange gains from HK$4.8 million in FY2012 to HK$1.5 million in FY2013.

Selling and distribution costs (Continuing operations)

Selling and distribution costs decreased by 27.8% to HK$35.3 million (FY2012: HK$48.9 million) as sales commissions paid to our sales representatives declined.

Administrative expenses (Continuing operations)

Administrative expenses increased by 1.0% to HK$112.1 million (FY2012: HK$110.9 million), mainly contributed by the increase in salaries for our administrative and corporate employees compensated by the decrease in administrative expenses as a result of stringent cost control measures implemented.

Profit before tax from continuing operations

As a result of the above, the profit before tax from continuing operations of FY2013 decreased by 26.4% to HK$131.3 million (FY2012: HK$178.5 million).

Results of discontinued operations

Revenue from discontinued operations decreased by 63.8% or HK$57.6 million from HK$90.3 million in FY2012 to HK$32.7 million in FY2013, as a result of the termination of the Licensing business during the year. (See Page 3, Note 5)

The loss before tax from discontinued operations of FY2013 increased by 31.0% to HK$39.2 million from HK$30.0 million in FY2012, resulting from a termination expenditure of HK$23.6 million and provision for impairment loss on property, plant and equipment of HK$2.7 million.

In FY2013, tax expense of discontinued operations amounted to HK$0.5 million represented written off of deferred tax assets related to the Licensing business.

Financial position and cash flows

As at 31 March 2013, the Group had net current assets of HK$376.4 million (31 March 2012: HK$339.1 million), total assets of HK$1,112.4 million (31 March 2012: HK$1,233.4 million) and shareholders' funds of HK$592.2 million (31 March 2012: HK$568.4 million).

The Group's trade receivables decreased by HK$26.6 million from HK$508.1 million as at 31 March 2012 to HK$481.5 million as at 31 March 2013. The Group's trade payables decreased by HK$152.4 million from HK$393.8 million as at 31 March 2012 to HK$241.4 million as at 31 March 2013. These changes are in line with the sales mix during the year.

The Group's inventories decreased by HK$25.7 million from HK$204.1 million as at 31 March 2012 to HK$178.4 million as at 31 March 2013. The Group's improvement in inventory management has brought down the inventory level.

The working capital of the Group as at 31 March 2013, which is the sum of trade receivables and inventories and deduction of trade payables, was HK$418.5 million (31 March 2012: HK$318.4 million).

As at 31 March 2013, the Group had cash and cash equivalents of HK$221.6 million owing to changes in working capital and payment of final dividend. (31 March 2012: HK$263.7 million).

The Group has no bank borrowings as at 31 March 2013 (31 March 2012: HK$20.0 million) The net cash as at 31 March 2013, which is equivalent to the net balance of cash and cash equivalents and bank borrowings, amounted to HK$221.6 million (31 March 2012: HK$243.7 million).

Cash generated from operations during the year amounted to HK$59.2 million compared to HK$239.8 million in the preceding year. The cash used in investing activities amounted to HK$21.1 million (31 March 2012: HK$48.1 million) and the cash used in financing activities amounted to HK$80.8 million (31 March 2012: HK$65.5 million).

The Group currently places most of its cash as bank deposits with reputable financial institutions in Hong Kong.

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

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In the second half of the year, the Group experienced slowdown in orders from some of its Consumer Electronics customers. However a stabilizing, albeit weak economic outlook in US and Europe may moderate any further downside. With price reduction requested by some of our major customers, prevailing market uncertainties in demand and continuing cost escalations in China, operating conditions will remain challenging.

Our termination of the Licensing business in August 2012 and its attendant termination expenditure and impairment loss for property, plant and equipment of HK$26.3 million was recorded during the year. All relevant costs to fulfil our obligations after termination of the Licensing business have been accounted for as at year end. We do not expect any more expenses will be incurred in FY2014. Upon cessation of the Licensing business, savings are estimated to be approximately HK$12.0 million per annum through reduced staff and rental expenses. Such savings have been gradually reflected in our accounts when we closed our Licensing office in USA in January 2013.

In Consumer Electronics segment, we moved away from one of the labour intensive customer, which engaged in kitchen counter top appliances, so as to put our resources into new customers from the Industrial and Commercial segment. During the second half of the year, the orders received from one of our key customers slowed down and led to overall decrease in revenue. However, such customer is showing sign of recovery after year end.

It was a stable year for Industrial and Commercial Electronics segment. One of our key customers plans to close its factory and move the rest of their high mix low volume production to our facilities. In addition, a new customer in this segment would transfer their manufacturing to our facilities by closing their own PRC factory. We expect such transfers would further enrich our customer base and support sustainable growth in this segment.

The Group has actively drove its business development activities by means of tapping into new sales representatives covering different regions in the US, participating in trade shows to improve our publicity and identify new opportunities. We expect such effort will crystallize in expansion of customer portfolio. As a result, this may widen our customer and product portfolios in Industrial and Commercial Electronics. The Group will continue to remain vigilant in monitoring market developments and will continue with our efforts in improving our fundamentals, including design and development capabilities, production efficiencies and inventory management.

Notwithstanding the challenging operating environment and uncertainties in the global economy, the directors expect the Group to remain profitable

11. Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

Yes.

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

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	Final	Special
Dividend Type	Cash	Cash
Dividend Amount per Share (in HK cents)	HK 16.0 cents per ordinary share	HK 1.0 cent per ordinary share
Tax Rate	Not applicable	Not applicable

(c) Date payable

To be announced later.

(d) Books closure date

To be announced later.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

(a) Business segments
The Group has three reportable segments as follows:

Consumer – consumer electronics
Industrial – industrial and commercial electronics
Licensing – licensed products

	Continuing operations			Discontinued operations	Total
Year ended 31 March 2013	**Consumer**	**Industrial**	**Total**	**Licensing**	
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**
Segment revenue	1,608,174	628,802	2,236,976	32,722	2,269,698
Intersegment revenue	(26,810)	-	(26,810)	-	(26,810)
Revenue from external customers	1,581,364	628,802	2,210,166	32,722	2,242,888
Segment results	154,323	108,124	262,447	(38,635)	223,812
Unallocated corporate expenses					(145,129)
Profit for the year					78,683
As at 31 March 2013					
Segment assets	382,942	88,563	471,505	10,004	481,509
Segment liabilities	61,326	35,164	96,490	63,504	159,994

	Continuing operations			Discontinued operations	Total
Year ended 31 March 2012	**Consumer**	**Industrial**	**Total**	**Licensing**	
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**
Segment revenue	1,709,898	604,742	2,314,640	90,326	2,404,966
Intersegment revenue	(26,341)	-	(26,341)	-	(26,341)
Revenue from external customers	1,683,557	604,742	2,288,299	90,326	2,378,625
Segment results	225,402	83,783	309,185	(23,658)	285,527
Elimination of intersegment profit					(197)
Unallocated corporate expenses					(155,004)
Profit for the year					130,326
As at 31 March 2012					
Segment assets	423,713	61,604	485,317	24,428	509,745
Segment liabilities	48,939	29,902	78,841	13,515	92,356

Geographical segments

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

	Year ended 31 March 2013	Year ended 31 March 2012
	HK$'000	**HK$'000**
United States of America	855,380	917,498
People's Republic of China	705,524	582,377
Netherlands	325,112	346,594
Canada	96,135	158,056
Others	260,737	374,100
Total	2,242,888	2,378,625

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to item 8 above.

15. A breakdown of sales.

	Year ended 31 March 2013 HK$'000	Year ended 31 March 2012 HK$'000 (Restated)	Change %
(a) Sales from continuing operations reported for first half year	1,222,938	1,107,245	10.4
(b) Operating profit after tax before deducting minority interests reported for first half year (Note)	29,039	60,415	(51.9)
(c) Sales from continuing operations reported for second half year	987,228	1,181,054	(16.4)
(d) Operating profit after tax before deducting minority interests reported for second half year	49,644	69,911	(29.0)

Note: Decline in operating profit after tax in first half of FY13 against second half of FY12 was due to termination expenditure and impairment loss for property, plant and equipment of HK$26.3 million related to the licensing business.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Year ended 31 March 2013	Year ended 31 March 2012
	HK$'000	HK$'000
Ordinary	28,803	61,022
Preference	N/A	N/A
Total:	28,803	61,022

17. If the Group has obtained a general mandate from shareholders for interested person transactions ("IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If not IPT mandate has been obtained, a statement to that effect.

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

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the prescribed format. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative to a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Tse Chong Hing
Chairman and Managing Director
23 May 2013