



# valuetronics

## FY2025 Results Briefing

**Note: This presentation is to be read in conjunction with the announcement issued on SGXNET on 28 May 2025**

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# About Us

## Corporate Information

- Established in 1992 in Hong Kong
- An integrated Electronics Manufacturing Services (EMS) provider
- Listed on SGX Mainboard on 28 March 2007
- Auditors: PricewaterhouseCoopers
- Employees: ~3,000 globally (31 March 2025)
- Two facilities: ShenZhen, China + Hanoi, Vietnam

Bloomberg Code

Reuters Code

Stock Code

Index

**VALUE.SP**

**VLUE.SI**

**BN2**

**FTSE ST All-Share Industrials**

**FTSE ST Small Cap,**

**FTSE Global MicroCap**

Issued shares (M)

**435.6**

Mkt cap\* (S\$M)

**279.6**

Share price\* (S\$)

**0.680**

52 wk range\* (S\$)

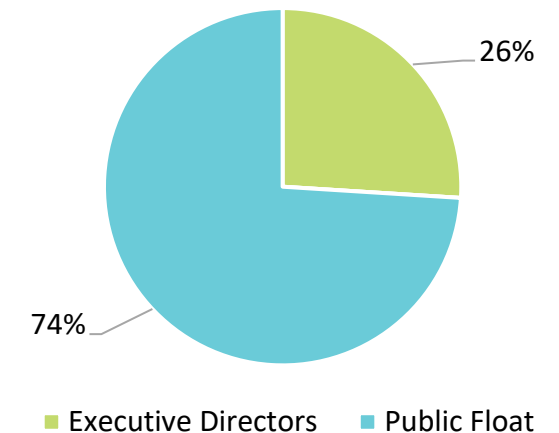
**0.680 - 0.550**

\* 26 May 2025, SGX

## Accreditations

- ISO9001:2015
- ISO14001:2015
- TL9000:2016(H) R6.3/5.7
- IATF16949: 2016
- IPC J STD-001/ IPC-A-610 QML Class 3
- ANSI/ESD S20.20 - 2021

## Shareholding



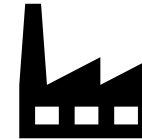
# Business Overview

Valuetronics is a one-stop, integrated EMS provider that offers a full range of services to its customers

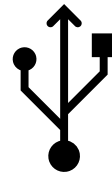


## Design and development

covers engineering design and development, product design and deployment, and tool design and tool fabrication



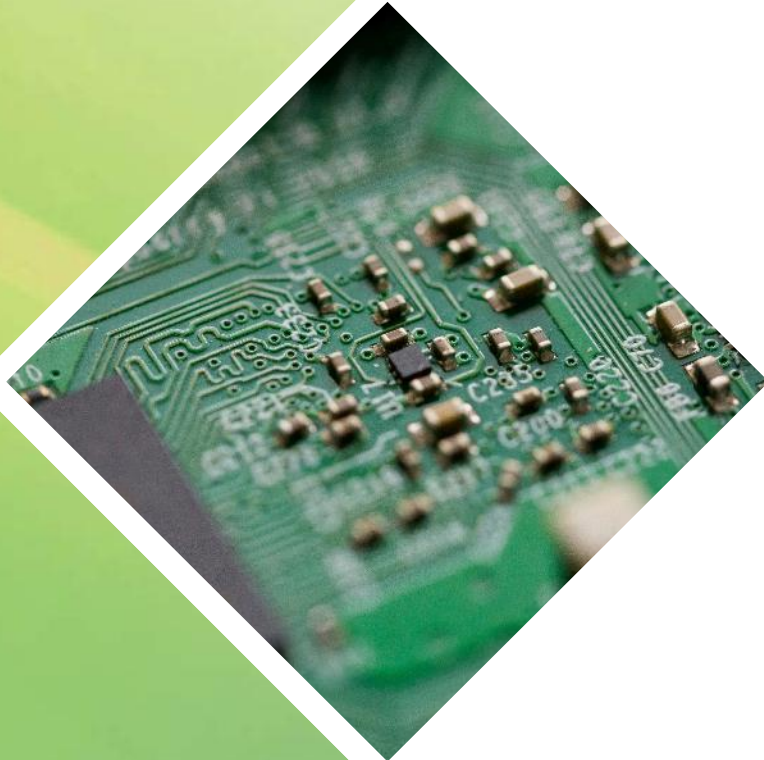
**Manufacturing** with integrated manufacturing sites in China and Vietnam



**Assembly** covers plastic injection moulding, metal stamping and machining, and printed circuit board assembly and box build assembly

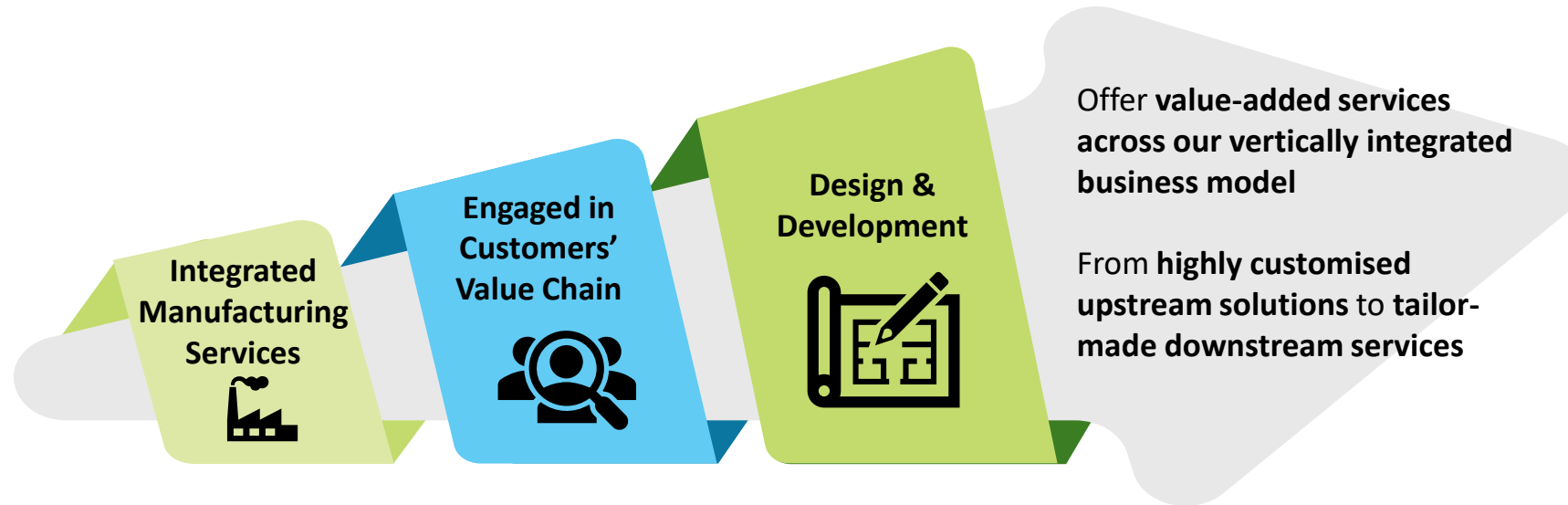


**Supply chain support** provides full turn-key manufacturing services covering procurement of raw materials, manufacture and deliver products to customer's designated locations





# A Premier Design and Manufacturing Partner



## Proactive deployment of Design & Development capabilities →

### Integrated Manufacturing Services

- SMT
- Auto insertion and selective soldering
- Wire bonding
- FG assembly
- CNC machining
- Injection molding
- Tool design & fabrication

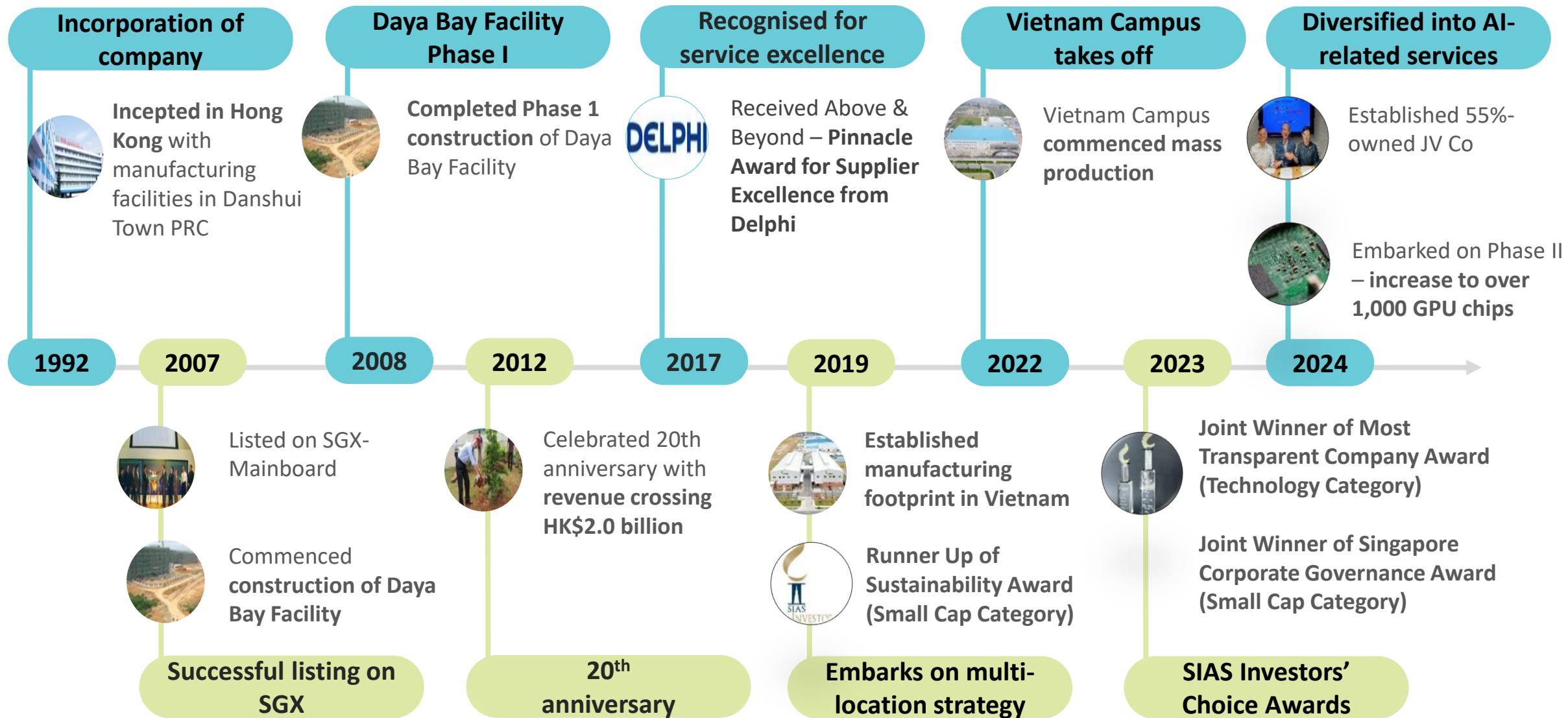
### Engaged in Customers' Value Chain

- Design for manufacturing
- Design and build test fixtures
- Rapid prototyping
- Regulatory compliances
- Supply chain management services

### Design & Development

- Mechanical and electrical engineering design from concept to mass production
- Better manufacturability with enhanced features & lower cost
- Software development
- Testing development
- Industrial design

# Key Milestones

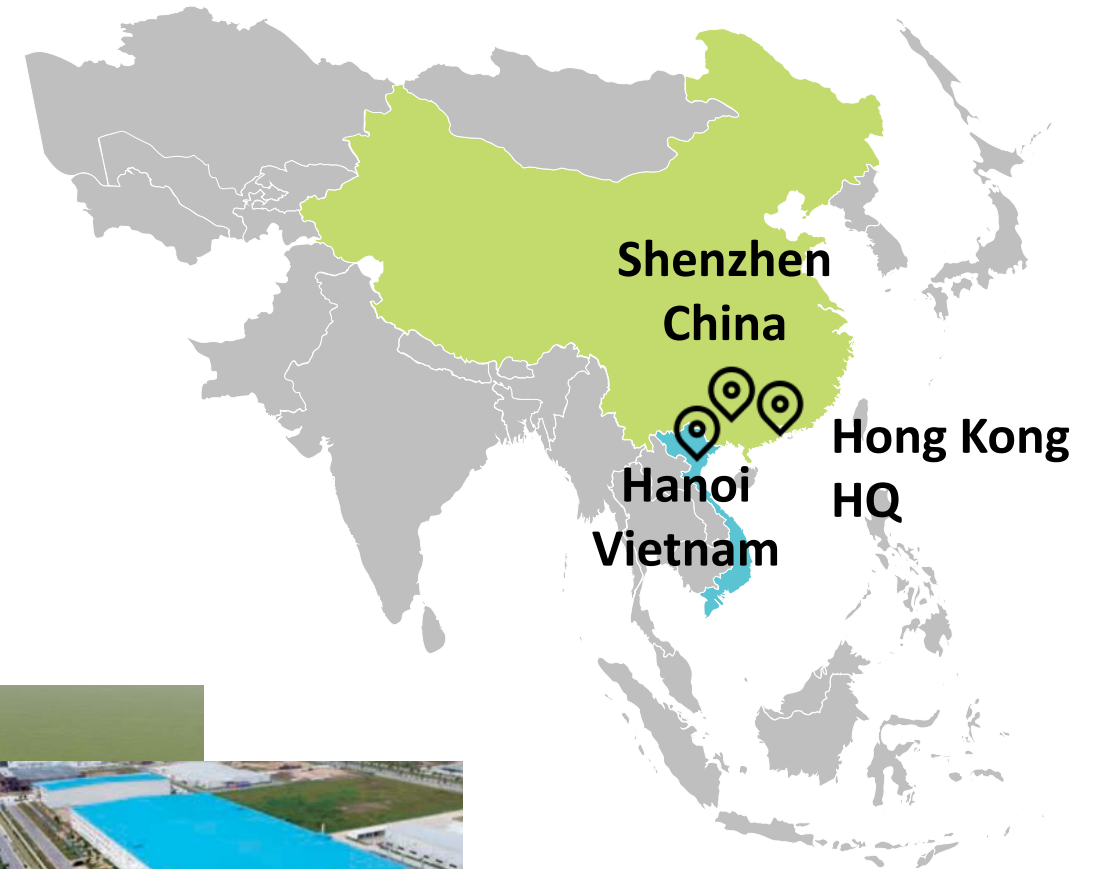


# Multinational Footprint



## China Campus

- Land use rights acquired in 2006
- Total site area > 110,000 sq m



## Vietnam Campus

- Land use rights acquired in 2019
- Total site area > 52,000 sq m



## Printers

### Nasdaq-listed Company

(Transaction Printer for Slot, POS  
& Teller Station Machines)



### Global Brand owned by NYSE-listed MNC

(Thermal Label Printer for Industrial  
& Commercial Use)



## Sensing Devices

### Unit of a NYSE-listed MNC

(Cold Chain Temperature Monitor  
for Industrial & Commercial Use)



## Automotive Parts

### Tier 1 Automotive System Manufacturer

(Data and media connectivity module)





# Industrial & Commercial Electronics

## Communication Products

### United States-based Company



### Taiwan-listed Company



## Network & HPC Products

### United States & Canada-based Company (Cooling solutions for HPC environment)



### Network Access Solutions Provider based in Canada



## Industrial & Commercial Applications

### Startup Owned by PE Fund (Hardware provider for retail chain stores)



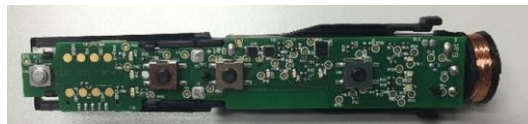
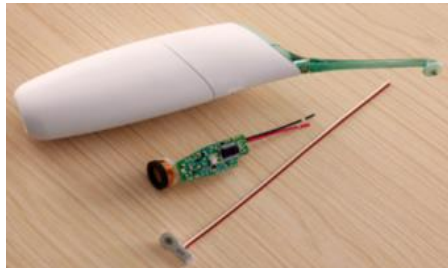
### NYSE-listed United States Company (Residential and Commercial Water Solutions)



## Consumer Lifestyle Products

### Consumer Lifestyle Division of a Dutch MNC

(PCBA for Shavers & Electric Toothbrushes  
for Consumer Use)



## Smart Lighting with IOT Features

### World leader in lighting for professionals and consumers and lighting for IOT

(Wireless lighting contain various LED specially  
chosen to produce wide range of intensities and over  
16 million colours;  
Wirelessly controlled by mobile application)



## Immersive Entertainment Products

### Leading Global Entertainment Conglomerate







# FY2025 Financial Highlights

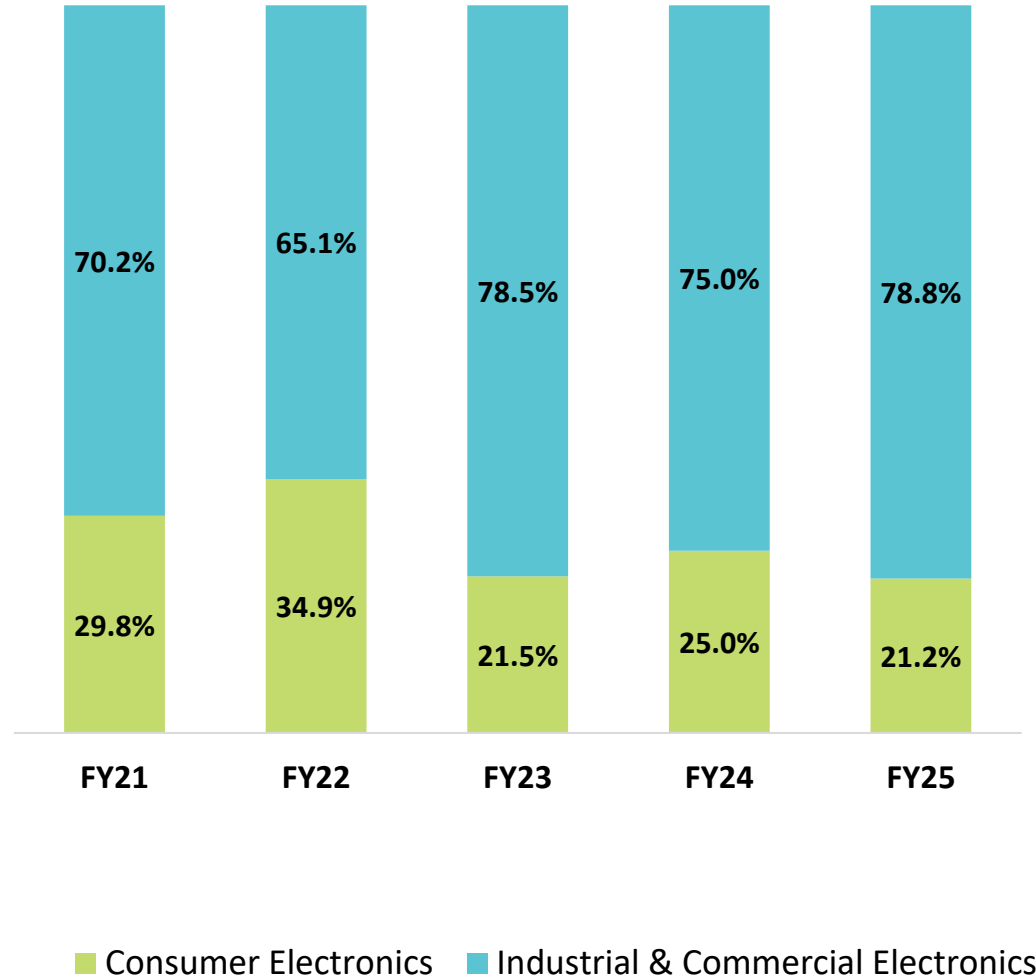
# FY2025 Financial Highlights

HK\$'M	FY2025	FY2024	% Change
Revenue	1,729.1	1,669.9	3.5
Gross Profit	293.7	265.2	10.8
Gross Profit Margin	17.0%	15.9%	1.1% pt
Net Profit	166.5	159.6	4.3
Net Profit Margin	9.6%	9.6%	0% pt

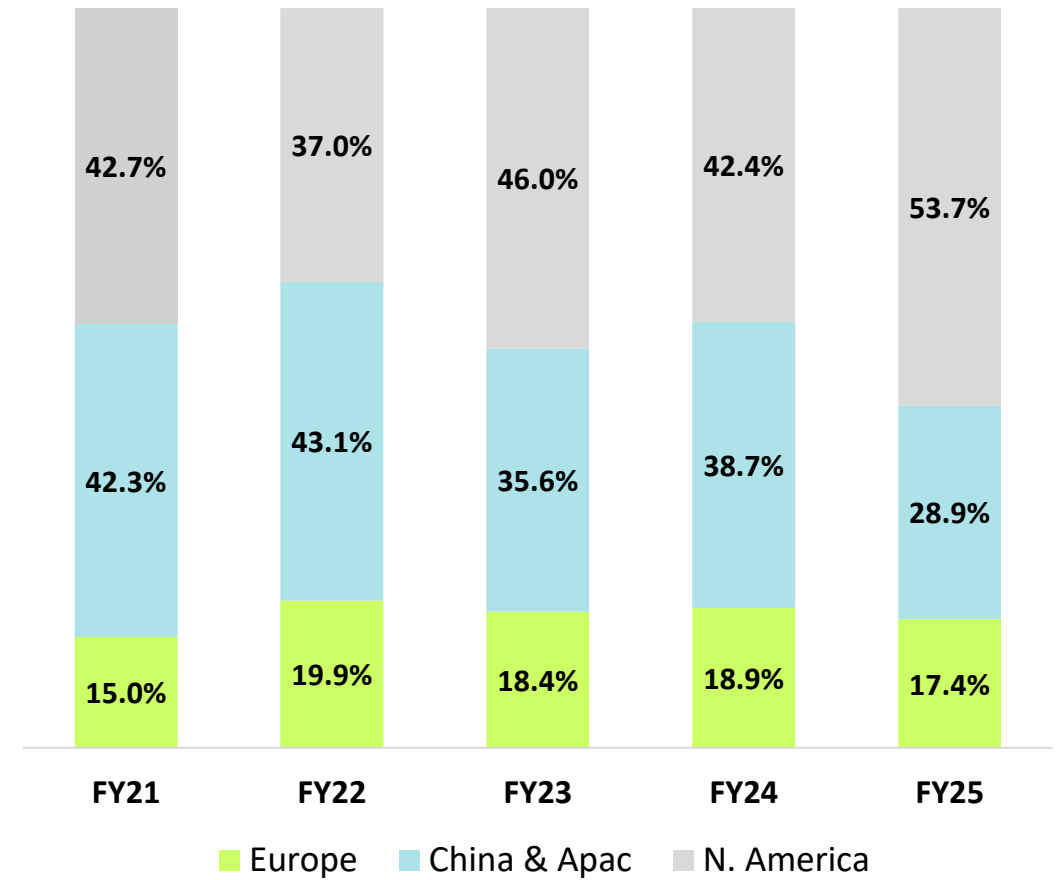


# Revenue Contribution

## By Segment

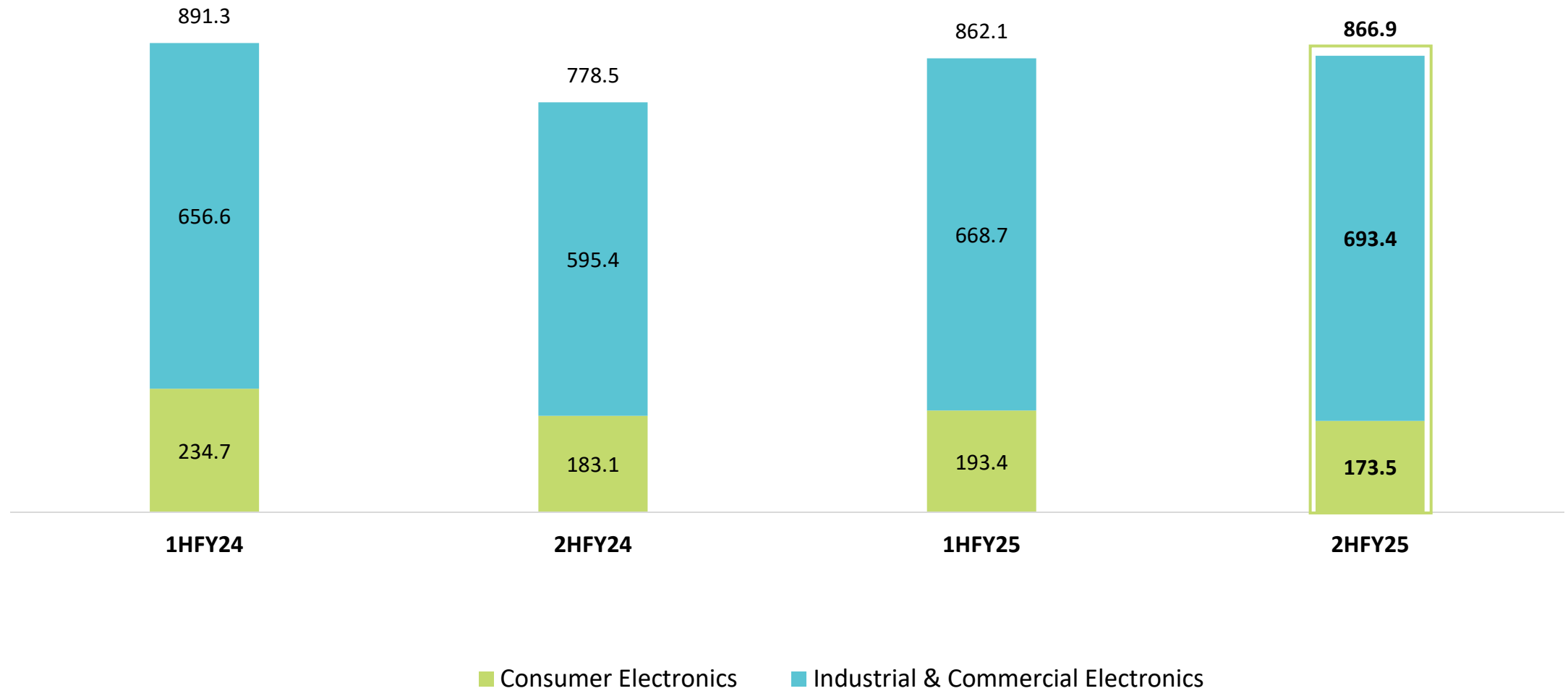


## By Shipment Destination

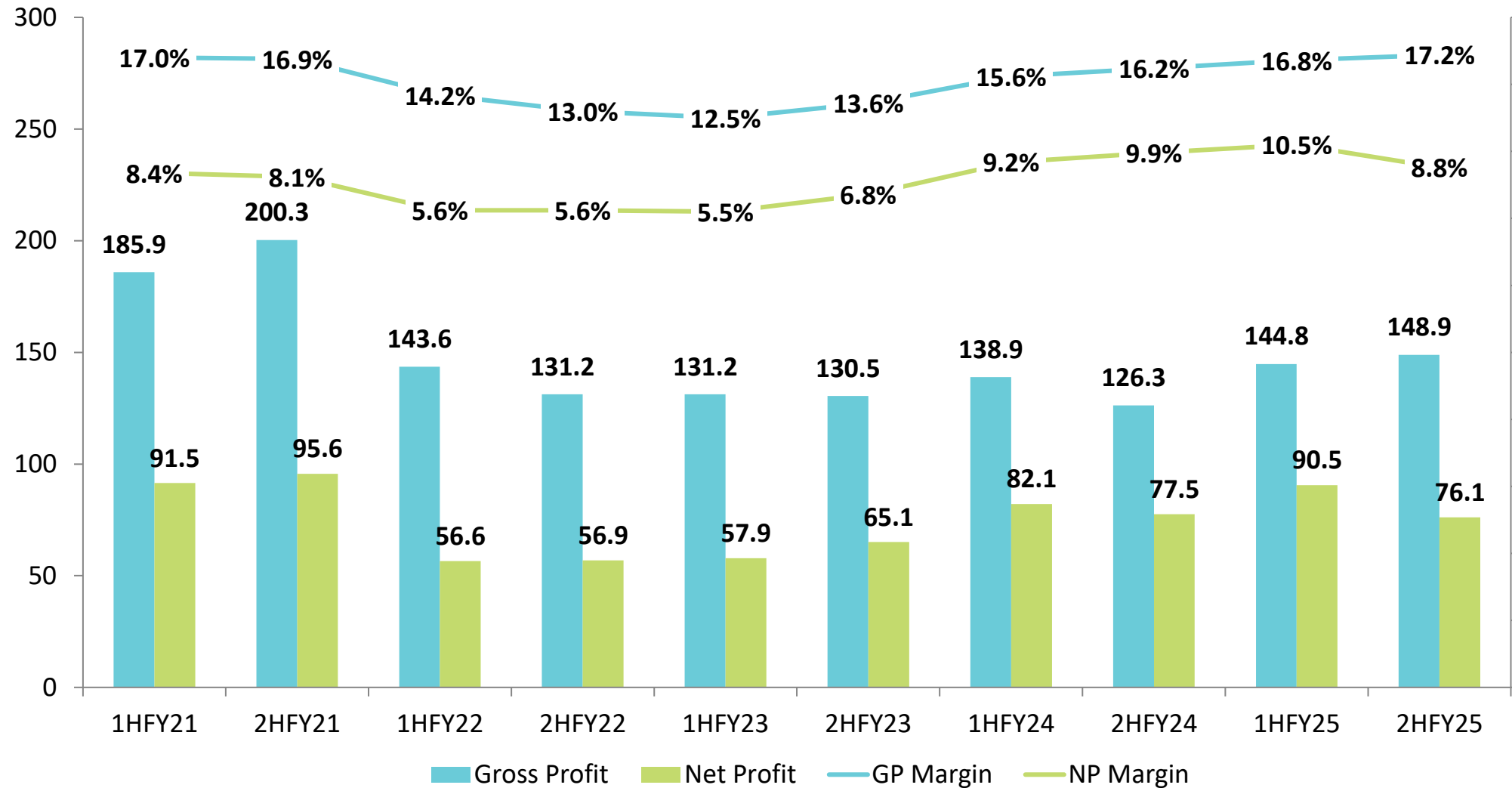


# Half-Year Revenue Trend

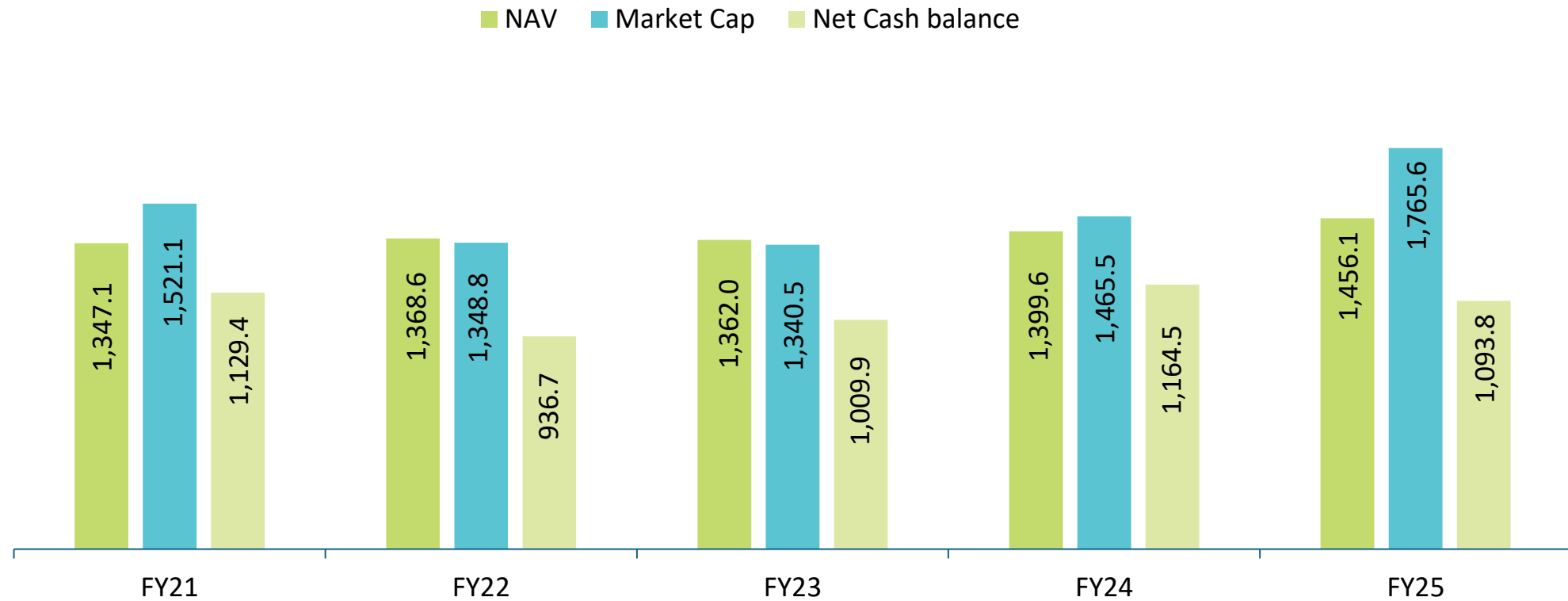
By HK\$'M



# Gross Profit & Net Profit Trend



# Market Capitalisation, NAV & Net Cash Balance (HK\$'m)



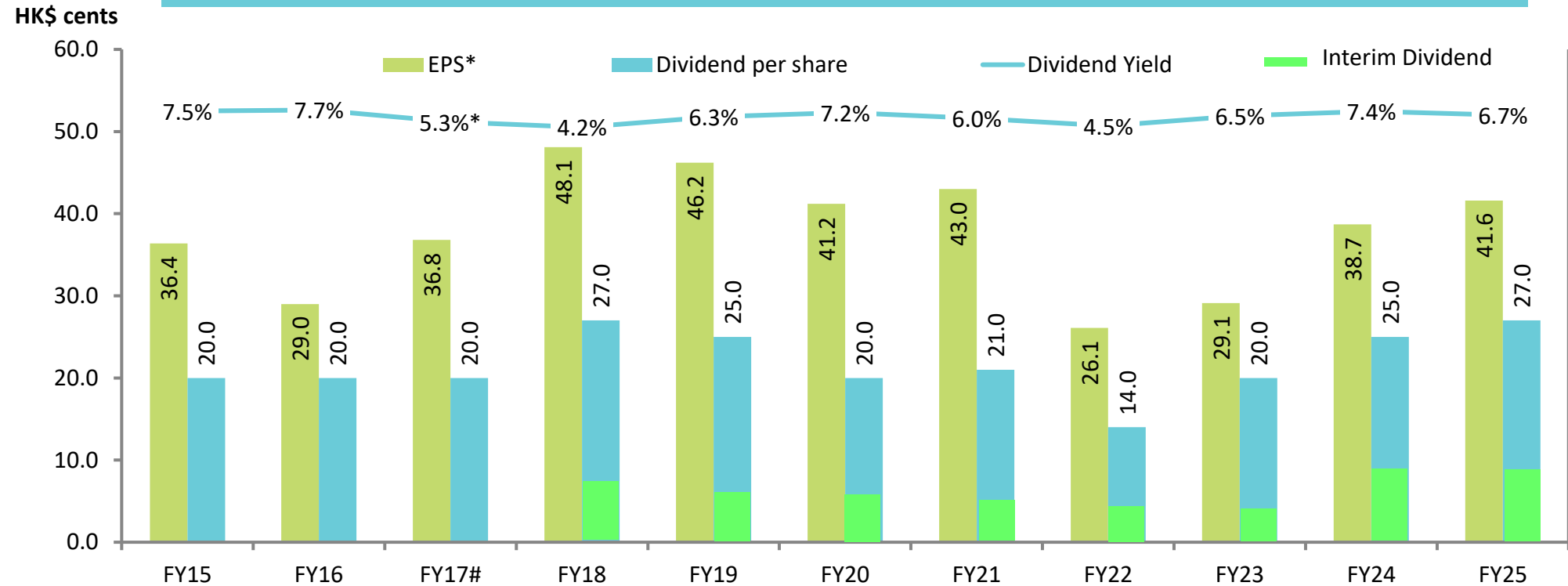
# Share price as at respective period/year end date

\*SGD/HKD Ex rate as at the end of each respective period: FY25: 5.79 FY24: 5.80



# Earnings Per Share & Dividends Per Share

**Committed to formal dividend policy of 30-50% payout ratio**  
**FY25: Final dividend of 11 HK cents and special dividend of 8 HK cents**



	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Share Price* (S\$)	0.43	0.41	0.68	1.08	0.68	0.51	0.61	0.54	0.52	0.58	0.70
Dividend Payout	50%	63%	55%*	57%	54%	49%	49%	53%	68%	64%	65%

\* Adjusted for 1:10 bonus issue completed in Jun 2017

# Quantum of dividend increased by 10% under 1:10 bonus issue

# Summary of Cash Flows

HK\$'000	FY25	FY24
<b>Operating Activities</b>		
Net cash generated from operating activities	<b>207,930</b>	<b>233,700</b>
<b>Investing Activities</b>		
Net cash (used in) / generated from investing activities	<b>(171,772)</b>	<b>35,705</b>
- CAPEX	(228,012)	(21,083)
- Interest received	52,719	55,191
- Others	3,521	1,597
<b>Financing Activities</b>		
Net cash used in financing activities	<b>(104,437)</b>	<b>(113,653)</b>
- Dividend paid	(102,801)	(99,171)
- Purchase of treasury shares	(13,831)	(14,482)
- Proceeds from exercise of share options	12,195	-
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(68,279)</b>	<b>155,752</b>
Effect of foreign exchange rate changes	(2,389)	(1,202)
<b>Cash and Cash equivalents</b>		
At beginning of the period	1,164,480	1,009,930
<b>At end of the period</b>	<b>1,093,812</b>	<b>1,164,480</b>

# Balance Sheet & Key Ratios

HK\$'M	FY25	FY24
Working capital		
Inventories	171.7	173.1
Trade Receivables	373.4	381.9
Trade Payables	<u>(273.6)</u>	<u>(237.3)</u>
	<u>271.5</u>	<u>317.7</u>
Net Current Assets	952.9	1,068.0
Net Cash	1,093.8	1,164.5
Net Assets	1,456.1	1,399.6

Turnover Days	FY25	FY24
Inventories	43.7	45.0
Trade Receivables	78.8	83.5
Trade Payables	<u>(69.6)</u>	<u>(61.7)</u>
	<u>52.9</u>	<u>66.8</u>

# Key Financial Ratios

	FY25	FY24
<b>Price (SGD)<sup>#</sup></b>	<b>0.70</b>	0.58
<b>NAV per share (SGD)<sup>*</sup></b>	<b>0.61</b>	0.59
<b>Cash per share (SGD)<sup>*</sup></b>	<b>0.46</b>	0.49
<b>Cash to Mkt Cap ratio</b>	<b>62%</b>	80%

	FY25	FY24
<b>Current ratio</b>	<b>2.3</b>	2.6
<b>ROE</b>	<b>11.4%</b>	11.4%
<b>ROA</b>	<b>7.6%</b>	7.6%
<b>PB ratio</b>	<b>1.13</b>	0.98

<sup>#</sup> Share price as at respective period/year end date

<sup>\*</sup>SGD/HKD Ex rate as at the end of each respective period: FY25: 5.79; FY24: 5.80



# Business Outlook



# Business Segments

## Recap for FY2025

## Outlook for FY2026

### CE Segment

- **Encouraging revenue contributions from new entertainment-focused customer** supplying electronic products to a leading global entertainment conglomerate
- **Offset by continued decline in demand for traditional consumer lifestyle products**

### ICE Segment

- **Strong revenue contributions from network access solutions** Canadian-based customer

- **Expect growth from entertainment-focused customer, driven by growing global adoption of immersive entertainment technologies** in theme park applications
- **Commenced phasing out of projects in traditional consumer lifestyle categories** to focus on higher margin products
- **Canadian-based customer operates under United States-Mexico-Canada Agreement** – a relatively more predictable trade environment in relation to trade tariffs.
- **Expect delays to new project launches from other ICE customers**, who have adopted cautious approach because of evolving tariff situation

## Strategic Direction

- Expansion of regional manufacturing footprint, sharper customer acquisition focus, and product portfolio rebalancing towards higher-margin offerings.
- Focus on scalable, high-potential customers; exit from low-margin legacy CE projects

*Disclaimer: Reader should refer to section 4 under Other Information of the Results Announcements for the complete 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.*

# Macroeconomic Environment

## Key Factors

- ☒ Series of announcements by the United States since 2 April 2025 regarding reciprocal tariffs on its trading partners, including China and Vietnam.
- ☒ While subsequent measures have led to a partial de-escalation, tariff levels have yet to return to those prior to 2 April 2025.
- ☒ The geopolitical climate remains fluid and uncertain, and the global economy appears to be entering a new era of elevated trade tariffs.
- ☒ These developments have triggered significant volatility in global markets, with rising concerns over supply chain disruptions and recessionary pressures.



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# Looking Ahead

- **Positioned to navigate growing complexity in global operating environment**
  - Integrated manufacturing platform in Vietnam
  - Core core design and development strengths in China operations
- **Dual-site capabilities**
  - Enhanced flexibility, supply chain resilience, and responsiveness to customer needs.
- **Expect to remain profitable for FY2026**, barring unforeseen circumstances

# Share Buyback



**Feb 2022:** Announced HK\$250.0 million Share Buyback Program to increase shareholder value and improve return on equity.



**To-date FY2025:** Regular share buybacks totaling approximately 34.1 million company shares for approximately HK\$107.1m.

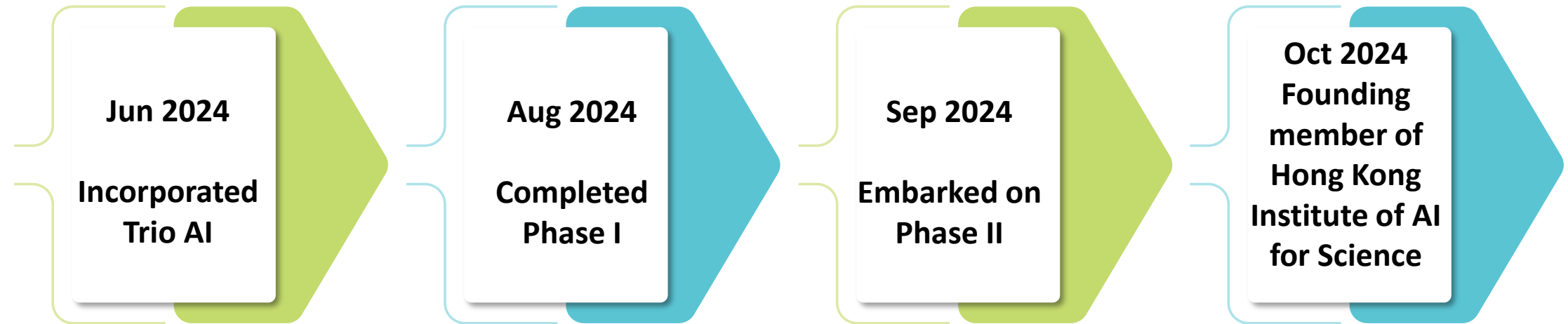


**Intend to continue Share Buyback Program in FY2026.**



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# AI Investment Still In Infancy Phase



## Harnessing opportunities from the AI industry

- Partnership with Sinnet Cloud Hong Kong to establish 55%-owned JV Co, Trio AI, to provide GPU and AI-related cloud services
- Investment amount: HK\$7.7m
- Completed Phase 1 asset acquisition by Computer Assets Limited (CAL), a 100%-owned subsidiary
- Deployed approx. 250 GPU and ancillary hardware
- Ready for customer trials and operations
- Order an additional 750 GPUs to support the gradual scale-up to a total computing capacity of 1,000 GPUs.
- Trio AI is positioned to attract clients with high-performance computing needs.
- HKAI-Sci established by City University of Hong Kong to lead pioneering AI-driven scientific research.
- Trio AI among the academic and industry partners

# Corporate Awards

## Multi-time winner at the SIAS Investors' Choice Awards

### Both 2024 and 2023

- Joint Winner of Most Transparent Company Award (Technology Category)
- Joint Winner of Singapore Corporate Governance Award (Small Cap Category)

### 2019

- Runner Up of Sustainability Award (Small Cap Category)





## Corporate Sustainability Highlights



### Local Community Engagement

Carried out such engagements at least once every quarter



### Environmental Compliance

Achieved ISO14000 accreditation, standards for environmental management since 2008



### Carbon Reduction

Installed solar panels for China campus that will generate power output for factory use and reduce carbon emissions



### Diversity

Achieved an almost equal ratio of worker and staff distribution by gender and no incidents of discrimination reported





**valuetronics**

**Thank You!**